

United States
Circuit Court of Appeals
For the Ninth Circuit.

PLYMOUTH OIL COMPANY, a corporation,
Plaintiff,
vs.
McKEON OIL COMPANY, a corporation,
Defendant.

LEWIS J. HAMPTON, Receiver in Equity of W. M.
Pergellis, Trustee,
Petitioner and Appellant,
vs.
GEORGE H. STODDARD, Receiver in Equity for
McKeon Oil Company, a corporation,
Respondent and Appellee.

Transcript of Record.

Upon Appeal from the United States District Court for the Southern
District of California, Central Division.

FILED
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PAUL P. O'BRIEN,
CLERK

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Circuit Court of Appeals
For the Ninth Circuit.

PLYMOUTH OIL COMPANY, a corporation,
Plaintiff,
vs.
McKEON OIL COMPANY, a corporation,
Defendant.

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[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original record are printed literally in italic; and, likewise, cancelled matter appearing in the original record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in italics the two words between which the omission seems to occur.]

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Names and Addresses of Attorneys.

For petitioner and appellant:

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EDNA COVERT PLUMMER, ESQ.,
ROBERT J. SULLIVAN, ESQ.,
Security Building,
Los Angeles, California.

For respondent and appellee:

IVAN G. McDANIEL, ESQ.,
SPENCER AUSTRIAN, ESQ.,
Title Insurance Building,
Los Angeles, California.

UNITED STATES OF AMERICA, SS.

TO RESPONDENT, GEORGE H. STODDARD,
Receiver in Equity for McKEON OIL COMPANY,
a corporation, GREETING:

You are hereby cited and admonished to be and appear at a United States Circuit Court of Appeals for the Ninth Circuit, to be held at the City of San Francisco, in the State of California, on the 26th day of August, A. D. 1932, pursuant to Order allowing Appeal filed on the 28th day of July, 1932, in the Clerk's Office of the District Court of the United States, in and for the Southern District of California, Central Division, in that certain cause numbered Equity U-14-C, entitled Plymouth Oil Company, a corporation, Plaintiff, vs. McKeon Oil Company, a corporation, Defendant (Sub-Caption) Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee, Petitioner, vs. George H. Stoddard, Receiver in Equity for McKeon Oil Company, a corporation, Respondent, wherein Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee is appellant, and you are appellee, to show cause, if any there be, why the said Order in the said Appeal mentioned, should not be reversed, and speedy justice should not be done to the parties in that behalf.

WITNESS, the Honorable George Cosgrave, United States District Judge for the Southern District of California, Central Division, this 28th day of July, 1932, and of the Independence of the United States, the one hundred and fifty-seventh.

Geo. Cosgrave

U. S. District Judge for the Southern
District of California, Central Division.

[Endorsed]: Original Equity No. U-14-C In the United States District Court in and for the Southern District of California Central Division Plymouth Oil Company A corporation Plaintiff vs. McKeon Oil Company A corporation Defendant Received copy of the within Citation this 29 day of July 1932 Ivan G. McDaniel-D Attorney for Respondent Filed Jul 29 1932 R. S. Zimmerman, Clerk By Theodore Hocke Deputy Clerk William Hazlett and Edna Covert Plummer 918 Security Building Fifth and Spring Streets Los Angeles, California Telephone Tucker 6506 Attorneys for Petitioner

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)	
a corporation,)	
)	
Plaintiff,)	
)	
vs.)	
)	
McKEON OIL COMPANY,)	
a corporation,)	
	)	In Equity
Defendant.	)	No. U-14-C
)	
_____	)	PETITION FOR
	)	ORDER TO
LEWIS J. HAMPTON,	)	SHOW CAUSE
Receiver in Equity of W. M.	)	RE: RESTORA-
Pergellis, Trustee,	)	TION OF POS-
	)	SESSION OF
Petitioner,	)	REAL
	)	PROPERTY.
vs.)	
)	
GEORGE H. STODDARD,)	
Receiver in Equity for McKeon)	
Oil Company, a corporation,)	
Respondent.)	
)	
)	

TO THE HONORABLE JUDGES OF THE DISTRICT COURT OF THE UNITED STATES:

Now comes Lewis J. Hampton, Receiver in Equity of W. M. Pergellis, Trustee, and respectfully represents in petition:

I.

That sometime prior hereto, and on or about the 18th day of September, 1923, Theodore C. Reid, Joseph J.

Berliner, Genevieve V. Reid and Mabel E. Berliner, as individuals and as co-partners doing business under the fictitious name of Reid and Berliner; R. F. B. Drilling Co. Inc., a corporation; Are-Bee Oil Syndicate, a trust estate; Reid & Berliner Inc., a corporation; M. A. Campbell, Nellie L. Campbell; Theodore C. Reid, Genevieve V. Reid, M. A. Campbell and Nellie L. Campbell, as co-partners doing business under the fictitious name of Reid & Campbell; Reid & Berliner, a co-partnership and Reid & Campbell, a co-partnership, in writing and for value, assigned, transferred and set over to one W. M. Pergellis all of their right, title and interest in and to that certain oil and gas lease dated November 7th, 1922, between W. A. Swem and Bertha M. Swem and others, as lessors, and C. H. Nickell as lessee, recorded December 6th, 1922, in Book 1620 page 176 of Official Records of the County of Los Angeles, State of California, and mentioning that certain property located in the Santa Fe Springs Oil District in the County of Los Angeles, State of California, and more particularly described as:

Lots 22 and 24 of Blanchard's subdivision as per map recorded in Book 18 at page 69 Miscellaneous Records of said county.

II.

Contemporaneously with the consummation of the transaction outlined above, Prudential Finance Co., a corporation; Reid & Berliner, a copartnership, F. R. B. Drilling Co. Inc., a corporation, Reid & Campbell, a copartnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, made, executed and delivered to the Citizens Trust and Savings Bank of Los Angeles, certain written escrow instructions under and by virtue

of the terms of which, among other things the said W. M. Pargellis was constituted and appointed trustee of said oil and gas lease, so assigned as aforesaid, for the benefit of the said Prudential Finance Co., a corporation, Reid & Berliner, a copartnership, F. R. B. Drilling Co., Inc., a corporation, Reid & Campbell, a copartnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation.

III.

Thereafter, the said W. M. Pargellis, trustee as aforesaid, and the said Prudential Finance Co., a corporation, Reid & Berliner, a copartnership, F. R. B. Drilling Co., Inc., Reid & Campbell, a copartnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, as aforesaid, sold or caused to be sold for valuable considerations and to divers and sundry persons certain interests in and to said trust estate or in and to the oil and gas to be produced, saved or sold from said premises.

IV.

On or about the 25th day of April, 1930, the said W. M. Pargellis caused a suit to be instituted in the Superior Court of the State of California in and for the County of Los Angeles, entitled W. M. Pargellis, also known as Wright M. Pargellis, Plaintiff, vs. McKeon Oil Company, a corporation, et al., Defendants, and being case No. 301667 in the office of the Clerk of said Court, for the purpose of allegedly determining certain alleged adverse claims in and to oil and gas produced, saved or sold from said premises, and thereafter such proceedings were had in said matter in said Superior Court that on

the 2nd day of November, 1931, the said Superior Court duly made and entered its order, among other things, appointing your Petitioner herein, Lewis J. Hampton, Receiver in Equity pendente lite in said matter with full powers, and ever since his said appointment as aforesaid your petitioner has been and now is the duly qualified and acting Receiver in Equity in said matter.

V.

Heretofore and some time subsequent to the 27th day of August, 1928, the said McKeon Oil Company, a corporation, the same party as the party defendant in the above-entitled matter, without any right or authority whatsoever and contrary to the wishes, desires and permissions of Petitioner or of Prudential Finance Co., a corporation, Reid & Berliner, a copartnership, F. R. B. Drilling Co. Inc., a corporation, Reid & Campbell, a copartnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner Inc., a corporation, or any of them, or anyone for them and without any right or authority whatsoever and contrary to the wishes, desires and permissions of said purchasers and holders of interests in and to said trust estate or in and to oil and gas produced, saved or sold from said premises, or any of them, or any one of them, took possession of, assumed control of and occupied a portion of the above mentioned premises which said portion is described as follows:

East 100 feet of Lot 24 of Blanchard's Subdivision in the Rancho Santa Gertrudes, County of Los Angeles, State of California, as per map recorded in Book 18, Page 69 of Miscellaneous Records in the office of the County Recorder of said County.

VI.

Thereafter, and having so taken possession of, assumed control of and occupied said portion of said premises as aforesaid, said McKeon Oil Company without any right or authority whatsoever and contrary to the wishes, desires and permissions of said petitioner or of Prudential Finance Co., a corporation, Reid & Berliner, a copartnership, F. R. B. Drilling Co. Inc., a corporation, Reid & Campbell, a copartnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner Inc., a corporation, or of the purchasers and holders of interests in and to said trust estate or in and to oil and gas produced, saved or sold from said premises, or any of them, or anyone for them, drilled or caused to be drilled an oil well on said premises and placed said well on production, and ever since said well was so placed on production, the said McKeon Oil Company has been and to the time of the appointment of the Receiver by this court as hereinafter mentioned, was so producing, saving and selling oil and gas from said well so drilled by it as aforesaid.

VII.

Subsequently, and on the 4th day of June, 1931, this Court, by its order, duly made and entered in the above entitled matter, appointed George H. Stoddard, Respondent herein, as the Receiver in Equity therein, with full powers; and ever since his said appointment the said respondent has been and is yet the duly qualified and acting Receiver in Equity in said matter and as such and

in the regular course of his administration of said Receivership Estate of the said McKeon Oil Company, said respondent has taken possession and control of all of the assets of the said McKeon Oil Company, including particularly the premises hereinabove referred to, and ever since has possessed and controlled and even now possesses and controls said premises and has been and now is producing, saving and selling oil and gas from the said well on said premises against the wishes, desires and permissions of Petitioner or of Prudential Finance Co., a corporation, Reid & Berliner, a copartnership, F. R. B. Drilling Co. Inc., a corporation, Reid & Campbell, a copartnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner Inc., a corporation, or of the purchasers and holders of interests in and to said trust estate or in and to oil and gas produced, saved or sold from said premises, or any of them, or anyone for them, and unless interfered with by order of this court, the said respondent receiver will so continue to possess and control said premises and to produce, save and sell oil and gas therefrom to the great and irreparable damage to petitioner's receivership estate, to the premises herein mentioned and to the purchasers and holders of interests in and to said trust estate or in and to oil and gas produced, saved and sold from said premises.

VIII.

Although demand has been repeatedly made upon the said respondent receiver and upon McKeon Oil Company

for restoration of possession and control of said premises to petitioner and an accounting for all of the oil and gas produced, saved or sold from said premises by said respondent receiver and McKeon Oil Company, said demands have been unheeded and uncomplied with by either said respondent receiver or McKeon Oil Company and petitioner has been obliged to supplicate relief in this court.

IX.

Petitioner has no plain, speedy or adequate remedy at law in the premises and the equity of this court affords petitioner his only relief.

WHEREFORE, Petitioner respectfully prays that an order to show cause be issued out of and under the seal of this court directed to respondent receiver to show cause, if any he has, why the possession and control of the premises hereinabove mentioned should not be restored to petitioner herein; and, why said respondent receiver should not account to petitioner for all of the oil and gas produced, saved or sold from said premises; and, why this court should not grant to petitioner whatsoever other relief this court might deem equitable in the premises.

Lewis J. Hampton
Petitioner

William Hazlett
Edna Covert Plummer
Robert J. Sullivan
Attorneys for Petitioner

UNITED STATES OF AMERICA)
SOUTHERN DISTRICT OF CALIFORNIA)
CENTRAL DIVISION)

LEWIS J. HAMPTON, being by me first duly sworn, deposes and says: That he is the Petitioner in the above entitled matter; that as such he has heard read the foregoing petition and knows the contents thereof; that the same is true of his own knowledge, except as to the matters therein stated on information and belief, and as to those matters he believes them to be true.

Lewis J. Hampton

PETITIONER

Subscribed and sworn to before me this 13 day of May, 1932.

[Seal]

Edna Covert Plummer,
Notary Public in and for Los Angeles
County, State of California.

[Endorsed]: Original In Equity In the United States District Court In and for the Southern District of California Central Division Plymouth Oil Company, a corporation, Plaintiff, vs. McKeon Oil Company, a corporation, Defendant Lewis J. Hampton, Receiver in Equity etc., Petitioner vs. George H. Stoddard, Receiver etc. Respondent. Petition For Order To Show Cause Re: Restoration Of Possession Of Real Property Filed May 13 1932 R. S. Zimmerman, Clerk By C. A. Simmons Deputy Clerk William Hazlett and Edna Covert Plummer 918 Security Building Fifth and Spring Streets Los Angeles, California Telephone Tucker 6506 and Robert J. Sullivan Attorneys for Petitioner

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

Plymouth Oil Company)
a corporation,)
Plaintiff,)

vs.)
)

McKeon Oil Company,)
a corporation,)
Defendants)

No. U-14-C.

— — — —)

Lewis J. Hampton, Receiver)
in Equity of W. M. Pargellis,)
Trustee,)
Petitioner,)

vs.)
)

MOTION TO DISMISS PETITION OF LEWIS J. HAMPTON AND ORDER TO SHOW CAUSE THEREON.

George H. Stoddard, Receiver)
in Equity for McKeon Oil)
Company, a corporation,)
)
Respondent.)

TO LEWIS J. HAMPTON, AND TO HAZLETT & PLUMMER, HIS ATTORNEYS:

Take notice that George H. Stoddard, receiver of McKeon Oil Company, does hereby and will again on Monday, May 23, 1932 at the hour of 2:00 p. m., move the above entitled Court to dismiss the petition of Lewis J. Hampton filed in the above entitled action.

Said motion will be made upon the ground and for the reason that said petition does not allege facts sufficient to warrant the granting of any relief and upon the ground that the facts set forth in said petition even if true would not warrant the granting of any relief to said petitioner.

Said motion will be based upon this notice of motion and all the records and files in the above entitled matter.

DATED: May ~~May~~ 19, 1932.

IVAN G. McDANIEL

By Spencer Austrian

Attorney for George H. Stoddard, receiver.

[Endorsed]: No. U-14-C In the United States District Court In and for the Southern District of California Central Division Plymouth Oil Company a corporation vs. McKeon Oil Company a corporation Motion to Dismiss Petition of Lewis J. Hampton and Order to Show Cause Thereon Received copy of the within this 19 day of May 1932 Hazlett & Plummer Attorney for Lewis Hampton Receiver Filed May 20 1932 R. S. Zimmerman, Clerk By Theodore Hocke Deputy Clerk Ivan G. McDaniel Attorney at Law 642 Title Insurance Building Los Angeles, Cal. Mutual 7394 Attorneys for receiver of McKeon Oil Co.

IN THE DISTRICT COURT OF THE UNITED
STATES SOUTHERN DISTRICT OF CALI-
FORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)
a corporation,)

Plaintiff,)

vs.)

McKEON OIL COMPANY,)
a corporation,)

Defendant.)

In Equity

No. U-14-C

LEWIS J. HAMPTON, Receiver)
in Equity of W. M. Pargellis,)
Trustee,)

Petitioner,)

ORDER
DENYING
MOTION TO
DISMISS
PETITION.

vs.)

GEORGE H. STODDARD, Re-)
ceiver in Equity for McKeon Oil)
Company, a corporation,)

Respondent.)

The motion of GEORGE H. STODDARD, Receiver in Equity for McKeon Oil Company, a corporation, to dismiss the petition of Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee, on file herein, came on regularly for hearing before the Honorable George

Cosgrave, Judge of the above-entitled court on the 23rd day of May, 1932; Spencer Austrian, Esq., appearing for the moving party on said motion to dismiss; and, Robert J. Sullivan, Esq., appearing for petitioner; and, the said motion to dismiss having been argued by counsel and the matter submitted to the said court for decision;

IT IS HEREBY ORDERED that the said GEORGE H. STODDARD'S motion to dismiss petitioner's petition be, and the same is hereby denied and the said George H. Stoddard is hereby directed to file his answer to said petition in reasonable time hereafter.

Dated May 31, 1932.

Geo Cosgrave
Judge.

[Endorsed]: Original No. U-14-C In the United States District Court In and for the Southern District of California Central Division Plymouth Oil Company, a corp., Plaintiff, vs. McKeon Oil Company, a corp., Defendant. Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee, Petitioner vs George H. Stoddard, etc., Respondent. Order Denying Motion to Dismiss Petition Filed May 31 1932 R. S. Zimmerman, Clerk By Edmund L. Smith Deputy Clerk William Hazlett and Edna Covert Plummer 918 Security Building Fifth and Spring Streets Los Angeles, California Telephone Tucker 6506 and Robert J. Sullivan Attorneys for Lewis J. Hampton, Receiver

IN THE DISTRICT COURT OF THE UNITED
STATES SOUTHERN DISTRICT OF CALI-
FORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,))	
a corporation,))	
	)	No. U-14-C
Plaintiff,))	
	)	AMENDED
vs. )	)	ANSWER TO
	)	PÉTITION
McKEON OIL COMPANY, a )	)	of
corporation, )	)	LEWIS J.
	)	HAMPTON
Defendant.))	

Comes now George H. Stoddard and files this amended answer to the petition of Lewis J. Hampton in the above entitled matter, and admits, alleges and denies as follows:

I.

Answering the allegations of Paragraph I admit that Theodore C. Reid and Genevieve V. Reid, his wife, and Joseph J. Berliner and Mabel E. Berliner assigned said lease as hereinafter set forth and deny every other allegation contained in said paragraph.

II.

Respondent has not information and belief sufficient to enable him to answer the allegations of Paragraph II thereof and basing his answer upon that ground, denies each and every allegation therein contained.

III.

Answering the allegations of Paragraph III thereof admit that instruments were sold purporting to authorize the holder to an undivided portion of the proceeds received

from the sale of oil and deny every other allegation contained in said paragraph.

IV.

Answering the allegations of Paragraph IV thereof, admits the pendency of the suit therein referred to but alleges that the purpose thereof was solely to determine the ownership of certain funds now impounded by the clerk of said court. Further answering the allegations of said paragraph admits that said Lewis J. Hampton was appointed a receiver in said action but denies that he was duly or regularly appointed and alleges that said court had no jurisdiction or power to appoint him as said receiver and further alleges that the order appointing him as said receiver is void upon its face and further alleges that said Lewis J. Hampton was not appointed receiver of the real property described in said petition, and that any order attempting to appoint him as receiver thereof is void.

V.

Answering the allegations of Paragraphs V, VI and VII thereof, admits that your receiver is now in possession of the realty therein described but denies that said possession is without right and alleges in connection therewith that at all times mentioned in said petition and in this answer thereto that W. M. Pargellis was and now is the legal owner of said oil lease and that the record title thereto stands in the name of W. M. Pargellis.

That prior to November 7, 1922, W. A. Swem, Bertha M. Swem, Roy L. Brown, Nellie Brown, Lester R. Godward, Helen P. Godward, Michael Rudolph and Lillian F. Rudolph were the owners of and entitled to the possession of the realty described in the petition of Lewis

J. Hampton. That on November 7, 1922 said persons leased said property and other property to C. H. Nickell by a written lease recorded in Book 1620, Page 176 of Official Records of Los Angeles County. That thereafter and on February 21, 1923 said C. H. Nickell assigned his interest under said lease to Theodore C. Reid and Joseph J. Berliner which assignment was recorded March 19, 1923 in Book 2035, Page 211 of Official Records of Los Angeles County. That thereafter and on August 23, 1923 said Theodore C. Reid and Joseph J. Berliner assigned their interest under said lease to W. M. Pargellis which assignment was recorded in Book 2748, Page 127 of Official Records of Los Angeles County. That thereafter and on August 27, 1928 said W. M. Pargellis sub-leased the property referred to in the petition of Lewis J. Hampton to Plymouth Oil Company, a Nevada Corporation, by a lease dated on said date and recorded on Sept. 26, 1928, in Book 7262, Page 166, of Official Records of Los Angeles County. That thereafter and on September 11, 1928 said Plymouth Oil Company did by an instrument in writing assign all its right and title in said lease to McKeon Drilling Co., Inc., a California corporation, which assignment was recorded in Book 7264, Page 164, of Official Records of Los Angeles County. That thereafter such proceedings were had in the Superior Court of the State of California in and for the County of Los Angeles, that said court did on March 4, 1929 enter a decree changing the name of

McKeon Drilling Co., Inc. to Raleigh Oil Company. That thereafter the Articles of Incorporation of Raleigh Oil Company were duly and regularly amended so as to change the name of Raleigh Oil Company to McKeon Oil Company. That thereafter the above entitled action was commenced against McKeon Oil Company and such proceedings were had therein that on June 4, 1931 the above entitled court appointed George H. Stoddard, receiver of all of the property and assets of said McKeon Oil Company. That on said day your receiver duly qualified and took possession of all of the assets of McKeon Oil Company including the realty hereinbefore referred to and at all times subsequent thereto has been in possession thereof.

VI.

That said McKeon Oil Company drilled an oil well on the property herein before referred to and expended therefor the sum of \$220,825.42. That said well was placed upon production and said McKeon Oil Company paid many thousands of dollars to the persons mentioned in the petition of Lewis J. Hampton, as well as the other persons interested in said well and all of said persons at all times had full knowledge of the facts herein alleged.

WHEREFORE, it is prayed that the petition of Lewis J. Hampton be dismissed.

George H Stoddard

Receiver of McKeon Oil Company

IVAN G. McDANIEL,

By Spencer Austrian

Attorney for said receiver

STATE OF CALIFORNIA)
) SS
COUNTY OF LOS ANGELES)

GEORGE H. STODDARD, being by me first duly sworn, deposes and says: That he is the receiver of the McKeon Oil Company, defendant in the above entitled action; that he has read the foregoing Answer to Petition of Lewis J. Hampton, and knows the contents thereof; and that the same is true of his own knowledge, except as to the matters which are therein stated upon his information or belief, and as to those matters that he believes it to be true.

George H Stoddard

SUBSCRIBED AND SWORN TO Before me, this
14 day of June, 1932.

[Seal]

Spencer Austrian

Notary Public in and for said county and State.

[Endorsed]: No. U-14-C In the United States District Court In and for the Southern District of California Central Division Plymouth Oil Company, Plaintiff, vs. McKeon Oil Company, Defendant Lewis J. Hampton, Receiver etc. Pet. vs. George H. Stoddard, Receiver Respondent Amended Answer to Petition' of Lewis J. Hampton Received copy of the within Amended Answer this 16th day of June 1932 Hazlett & Plummer By R. S. Attorney for Petitioner Filed Jun 17 1932 R. S. Zimmerman, Clerk By Theodore Hocke Deputy Clerk Ivan G. McDaniel Attorney at Law 642 Title Insurance Building Los Angeles, Cal. Mutual 7394 Attorneys for receiver, McKeon Oil Co.

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)
a corporation,)

Plaintiff,)

vs.)

McKEON OIL COMPANY, a)
corporation,)

Defendant.)

IN EQUITY

NO. U-14-C

LEWIS J. HAMPTON, Receiver)
in Equity of W. M. Pargellis,)
Trustee,)

Petitioner,)

vs.)

GEORGE H. STODDARD, Re-)
ceiver in Equity of McKeon Oil)
Company, a corporation,)

Respondent.)

FINDINGS OF
FACTS
and
CONCLUSIONS
OF LAW
IN RE PETITION
OF LEWIS J.
HAMPTON

BE IT REMEMBERED that a hearing on the petition of LEWIS J. HAMPTON, and the Amended Answer of GEORGE H. STODDARD thereto, filed in the above entitled matter came on for hearing before the above entitled court, the Honorable George Cosgrave presiding, on June 23, 1932, the petitioner Lewis J.

Hampton being represented by Hazlett & Plummer, Esqs. by Robert J. Sullivan, Esq. and the Respondent George H. Stoddard, being represented by Ivan G. McDaniel, Esq. and Spencer Austrian, Esq., and evidence both oral and documentary having been introduced and the court being fully advised in the premises, now makes its Findings of Facts as follows:

FINDINGS OF FACTS

I.

The Court finds that all of the allegations of Paragraph I of said petition are untrue except as hereinafter expressly found. The Court further finds that prior to November 7, 1922, W. A. Swem, Bertha M. Swem, Roy L. Brown, Nellie Brown, Lester R. Godward, Helen P. Godward, Michael Rudolph and Lilliam F. Rudolph, were the owners of and entitled to the possession of the realty described in the petition of Lewis J. Hampton. That on November 7, 1922, said persons leased said property together with other property to C. H. Nickell, for the purpose of exploring for and producing oil therefrom, by written lease recorded in Book 1620, Page 176 of Official Records of Los Angeles County. That thereafter and on February 21, 1923, said C. H. Nickell assigned his interest under said lease to Theodore C. Reid and Joseph J. Berliner, which assignment was recorded on March 19, 1923, in Book 2035, Page 211 of Official Records of Los Angeles County. That thereafter and on August 23, 1923, said Theodore C. Reid and Joseph J. Berliner assigned their interest under said lease to W. M. Pargellis, by an instrument in writing, which was recorded in Book 2748, Page 127 of Official Records of

Los Angeles County. That a true copy of said assignment is attached to the Partial Stipulation of Facts filed in the above entitled matter, and there marked "Exhibit A".

II.

The Court finds that each of the allegations contained in Paragraph II of said petition are untrue except as hereinafter expressly found. The Court further finds that contemporaneously with the assignment of said lease to W. M. Pargellis, as aforesaid, Prudential Finance Co., a corporation, Reid & Berliner, a co-partnership, F. R. B. Drilling Co., Inc., a corporation, Reid & Campbell, a co-partnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, made, executed and delivered to the Citizens National Trust & Savings Bank of Los Angeles, certain written escrow instructions, a copy of which is attached to the Partial Stipulation of Facts, filed in the above entitled action and there marked "Exhibit B". The court further finds that said escrow instructions were the only escrow instructions delivered to said Citizens National Trust & Savings Bank.

III.

The Court finds that each of the allegations contained in Paragraph III of said petition are untrue except as hereinafter expressly found. The Court further finds that thereafter the said Theodore C. Reid and Joseph J. Berliner and their respective wives, sold or caused to be sold, for a valuable consideration, and to divers and sundry persons certain purported interests which were evidenced by instruments all in form similar to a copy of which is attached to the Partial Stipulation of Facts

filed in the above entitled matter and there marked "Exhibit C".

IV. I.

The Court finds that each of the allegations contained in Paragraph IV of said petition are untrue except as hereinafter expressly found. The Court further finds that on or about April 25, 1930, said W. M. Pargellis caused a suit to be instituted in the Superior Court of the State of California, in and for the county of Los Angeles, entitled "W. M. Pargellis, also known as Wright M. Pargellis, plaintiff, vs. McKeon Oil Company, a corp., et al., Defendants", and being case No. 301,677, in the office of the Clerk of said Court, a copy of the complaint with the exception of the account which is attached thereto as an exhibit, is attached to the Partial Stipulation of Facts filed in the above entitled action, and there marked "Exhibit G". The Court further finds that said action thereafter proceeded to trial, and during the course of said trial and on November 2, 1931, said Superior Court made an order, a copy of which is attached to the Partial Stipulation of Facts filed herein, and there marked "Exhibit H".

V.

The Court finds that each of the allegations contained in Paragraph V of said petition are untrue, except as hereinafter expressly found. The Court further finds that on or about August 27, 1923, said W. M. Pargellis sub-leased a portion of the premises hereinbefore referred to, to Plymouth Oil Company, a Nevada corporation, by a lease dated on said date and recorded on September 26, 1928, in Book 7262, Page 166 of Official Records of Los Angeles County. That thereafter and from time to time

supplements to said lease were entered into between W. M. Pargellis and McKeon Oil Company. That true copies of said lease and supplemental agreements are attached to the Partial Stipulation of Facts filed in the above entitled action, and there marked "Exhibit E". That prior thereto, and on or about August 11, 1928, said W. M. Pargellis caused to be signed by the various persons who were or claimed to be interested in said property, an instrument in writing, a true copy of which is attached to the Partial Stipulation of Facts filed in the above entitled matter and there marked "Exhibit D". That said instruments were identical in form with the exception of the number of percents expressed therein, and were signed by the persons holding approximately ninety-four percent of the outstanding interests which were sold as aforesaid. That the persons holding the remaining 6% thereof did not sign said documents. That a like number of persons signed written consents to the execution of said supplemental agreements as signed the consent to the original leases. That on September 11, 1928, said Plymouth Oil Company did, by an instrument in writing, assign all of its right, title and interest in and to said lease to McKeon Drilling Company, Inc., a California corporation, which assignment was recorded in Book 7264, Page 164 of Official Records of Los Angeles County. That thereafter the name of McKeon Drilling Company, Inc. was duly and regularly changed to Raleigh Oil Company by decree of the Superior Court of the State of California, in and for the County of Los Angeles, which decree was dated March 4, 1929. That thereafter the Articles of Incorporation of Raleigh Oil Company were duly and regularly amended

so as to change the name of Raleigh Oil Company to McKeon Oil Company. That thereafter the above entitled action was commenced against McKeon Oil Company and such proceedings were made therein that on June 4, 1931, the above entitled court appointed George H. Stoddard, as receiver in equity of all the property and assets of said McKeon Oil Company. That on said day, said George H. Stoddard, qualified and took possession of all of the assets of McKeon Oil Company, including the realty referred to in the petition of Lewis J. Hampton herein. The Court further finds that Prudential Finance Co., a corporation, Reid & Berliner, a co-partnership, F. R. B. Drilling Co., Inc., a corporation, Reid & Campbell, a co-partnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, and each of them expressly consented to the execution of said lease.

VI.

The Court finds that each of the allegations contained in Paragraph VI of said petition are untrue except as hereinafter expressly found. The Court further finds that thereafter a like number of the divers and sundry persons who were interested in the property hereinbefore referred to executed and delivered to W. M. Pargellis a writing in words and figures the same as the copy which is attached to the Partial Stipulation of Facts filed in the above entitled matter and there marked "Exhibit F". The Court further finds that McKeon Oil Company drilled an oil well on the property hereinbefore referred to which is known as "Reiber Well No. 2", and expended therefor the sum of \$220,825.42; that said well was placed upon production and from said production

said McKeon Oil Company received back to itself the cost of drilling said well and in addition thereto the sum of \$19,174.58, and also paid to W. M. Pargellis the sum of \$64,000.00 out of the production of said well, which moneys were from time to time distributed by said W. M. Pargellis to all of the various persons who were interested in said well. That the checks so delivered to W. M. Pargellis were drawn to "W. M. Pargellis, Trustee." The Court further finds that each of said persons received said moneys with knowledge of the fact that the same had been obtained and/or derived from the sale of oil and gas produced from said Reiber Well No. 2.

VII.

The Court finds that each of the allegations of Paragraph VII of said petition are untrue except as expressly found herein. The Court further finds that on June 4, 1931 the above entitled court appointed George H. Stoddard, as receiver in equity of all of the property and assets of said McKeon Oil Company, and that on said date, said George H. Stoddard, duly qualified and took possession of all of the assets of McKeon Oil Company, including the realty hereinbefore referred to. That at all times subsequent thereto he has been in possession thereof.

VIII.

The Court finds that all of the allegations contained in Paragraph VIII of said petition are untrue except as hereinafter expressly found. The Court further finds that the petitioner, Lewis J. Hampton, has made demand upon Respondent for the possession of said property, but that Respondent has refused to deliver the same. The Court further finds that said Respondent, George H

Stoddard, has tendered to the Petitioner, Lewis J. Hampton, all sums due under the terms of the lease under which said receiver holds said property, but that said petitioner, Lewis J. Hampton, has refused the same.

IX.

The Court finds that each of the allegations of Paragraph IX are untrue.

X.

The Court finds that each of the allegations of the Amended Answer of the respondent, George H. Stoddard, to the petition of the petitioner, Lewis J. Hampton, are true.

XI.

The Court further finds that each of the facts recited in the Partial Stipulation of Facts filed in the above entitled matter are true.

AND AS CONCLUSIONS OF LAW FROM THE FOREGOING, the court finds.

I.

That the Respondent, George H. Stoddard is lawfully entitled to the possession of the following described real properties situate in the county of Los Angeles, to wit:

“East 100 feet of Lot 24 of Blanchard’s Subdivision in the Rancho Santa Gertrudes, as per map recorded in Book 18, Page 69 of Miscellaneous Records, in the Office of the County Recorder of said County.

That the Respondent George H. Stoddard is entitled to the possession of said real property as against the petitioner Lewis J. Hampton, and all persons claiming under or through him and all persons whom he represents in-

cluding W. M. Pargellis, Prudential Finance Co., a corporation, Reid & Berliner, a co-partnership, F. R. B. Drilling Co., Inc., a corporation, Reid & Campbell, a co-partnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, and each and every person claiming to be a purchaser or holder of an interest in and to any oil or gas produced from said property, by reason of the assignments hereinbefore referred to in form similar to that set forth in the Partial Stipulation of Facts filed in the above entitled matter and there marked "Exhibit C".

LET JUDGMENT BE ENTERED ACCORDINGLY.

Dated: July 11, 1932.

Geo Cosgrave
District Judge

Approved as to form as provided in Rule 44.

Robert J Sullivan
of counsel for Petitioner.

[Endorsed]: No. U-14-C In the United States District Court In and for the Southern District of California Central Division Plymouth Oil Co., a corp. Plaintiff vs, McKeon Oil Co., a corp. Defendant. Findings of Facts and Conclusions of Law in re Petition of Lewis J. Hampton Filed Jul 14 1932 R. S. Zimmerman, Clerk By Francis E. Cross Deputy Clerk Ivan G. McDaniel Attorney at Law 642 Title Insurance Building Los Angeles, Cal. Mutual 7394 Attorneys for Defendants

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)
a corporation,)

Plaintiff,)

vs.)

McKEON OIL COMPANY, a)
corporation,)

Defendant.)

IN EQUITY

NO. U-14-C

LEWIS J. HAMPTON, Receiver)
in Equity of W. M. Pargellis,)
Trustee,)

ORDER AND JUDGMENT

Petitioner,)

vs.)

GEORGE H. STODDARD, Re-)
ceiver in Equity of McKeon Oil)
Company, a corporation,)

Respondent.)

BE IT REMEMBERED that a hearing on the petition of Lewis J. Hampton, and the amended answer of George H. Stoddard, thereto, filed in the above entitled matter, came on regularly for hearing before the above entitled court, the Honorable George Cosgrave presiding, on

June 23, 1932, the petitioner Lewis J. Hampton being represented by Hazlett & Plummer, Esqs. by Robert J. Sullivan, Esq. and the Respondent George H. Stoddard, being represented by Ivan G. McDaniel and Spencer Austrian, Esq., and evidence both oral and documentary having been introduced, and the court being fully advised in the premises, and the court having heretofore signed and filed its written Findings of Facts and Conclusions of Law.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the petition of Lewis J. Hampton, filed herein be dismissed and denied, and that said petitioner take nothing by reason thereof; and

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Respondent George H. Stoddard, receiver in equity of the McKeon Oil Company is entitled to the possession of the following described real property situated in the County of Los Angeles, to wit:

"The east 100 feet of Lot 24 of Blanchard's Subdivision in the Rancho Santa Gertrudes, as per map recorded in Book 18, Page 69 of Miscellaneous Records, in the office of the County Recorder of said county. And that said George H. Stoddard is entitled to the possession of said realty as against the petitioner, Lewis J. Hampton, and all persons claiming under or through him

and all persons for whom he acts including W. M. Pargellis, Prudential Finance Co., a corporation, Reid & Berliner, a co-partnership, F. R. B. Drilling Co., Inc., a corporation, Reid & Campbell, a co-partnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, and all persons who have purchased or claimed to have purchased any interest in said property by reason of the assignments similar in form to those attached to the Partial Stipulation of Facts filed in the above entitled action and there marked "Exhibit C".

Dated: July 13, 1932.

Geo Cosgrave
District Judge

Approved as to form as provided in Rule 44.

Robert J Sullivan
of counsel for Petitioner

Decree entered and recorded Jul 14 1931 R. S. Zimmerman Clerk. By Francis E Cross Deputy Clerk,

[Endorsed]: No. U-14-C In the United States District Court In and for the Southern District of California Central Division Plymouth Oil Co., a corp. Plaintiff, vs. McKeon Oil Co., a corp. Defendant Order and Judgment re Petition of Lewis J. Hampton, vs. Stoddard Filed Jul 14 1932 R. S. Zimmerman, Clerk By Francis E. Cross Deputy Clerk Ivan G. McDaniel Attorney at Law 642 Title Insurance Building Los Angeles, Cal. Mutual 7394 Attorneys for Defendant

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)
a corporation, :

Plaintiff :

vs.)

McKEON OIL COMPANY, a)
corporation, :

Defendant. :

In Equity

No. U-14-C

LEWIS J. HAMPTON, Receiver :
in Equity of W. M. Pargellis,)
Trustee, :

STATEMENT
OF FACT FOR
APPEAL

Petitioner :

vs.)

GEORGE H. STODDARD, Re- :
ceiver in Equity for McKeon Oil)
Company, a corporation, :

Respondent. :

BE IT REMEMBERED that heretofore, to-wit, on the 24th day of June, 1932, the above entitled cause came on regularly for hearing at Los Angeles, California, upon the issues joined herein, before the Honorable George Cosgrave, sitting as Judge of the above entitled Court, and the petitioner herein being then and there represented by William Hazlett, Edna Covert Plummer, and Robert

J. Sullivan, Esqs., and the respondent herein having then and there been represented by Ivan McDaniel and Spencer Austrian, Esqs. The following written stipulation as to part of the facts out of which the controversy arose was entered into by and between the parties to the above entitled matter, through their respective counsel:

(Title of Court and Cause)

“IT IS HEREBY STIPULATED by and between LEWIS J. HAMPTON, Petitioner in the above matter, and GEORGE H. STODDARD, Receiver for McKeon Oil Company, through their respective attorneys of record that the following facts shall be deemed to be true at the hearing on the petition of Lewis J. Hampton.

(1) That prior to November 7, 1922, W. A. Swem, Bertha M. Swem, Roy L. Brown, Nellie Brown, Lester R. Godward, Helen P. Godward, Michael Rudolph and Lillian F. Rudolph, were the owners of and entitled to the possession of the realty described in the petition of Lewis J. Hampton. That on November 7, 1922 said persons leased said property and other property, to C. H. Nickell, for the purpose of exploring for and producing oil therefrom, by written lease recorded in Book 1620, Page 176 of Official Records of Los Angeles County. That thereafter and on February 21, 1923, said C. H. Nickell assigned his interest under said lease to Theodore C. Reid and Joseph J. Berliner, which assignment was recorded March 19, 1923, in Book 2035, Page 211 of Official Records of Los Angeles County. That thereafter and on August 23, 1923, said Theodore C. Reid and Joseph J. Berliner assigned their interest under said lease to W. M. Pargellis, by an instrument in writing, a true copy of which is attached hereto and marked

Exhibit "A". That said assignment was recorded in Book 2748, Page 127 of Official Records of Los Angeles County.

(2) Contemporaneously with the assignment of said lease to W. M. Pargellis, as aforesaid Prudential Finance Co., a corporation, Reid & Berliner, a co-partnership, F. R. B. Drilling Co., Inc., a corporation, Reid & Campbell, a co-partnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, made, executed and delivered to the Citizens National Trust & Savings Bank of Los Angeles, certain written escrow instructions, a copy of which escrow instructions is attached hereto, marked Exhibit "B". That said escrow instructions were the only escrow instructions delivered to said Citizens National Trust & Savings Bank. The facts recited in this paragraph although here stipulated to be true, shall not be admitted into evidence solely by reason of this stipulation, it being expressly understood that the respondent objects and will object to the admission thereof upon the ground of materiality, competency, hearsay, etc.

(3) Thereafter the said Theodore C. Reid and Joseph J. Berliner and their respective wives, sold or caused to be sold, for valuable considerations, and to divers and sundry persons certain purported interests which were evidenced by instruments or documents which were all in form similar to the copy which is attached hereto, marked Exhibit "C".

(4) That thereafter and on or about August 11, 1928, said W. M. Pargellis caused to be signed by the various persons who were or claimed to be interested in said property, an instrument in writing, a true copy of which is attached hereto and marked Exhibit "D". That said

instruments were identical in form with the exception of the number of percents expressed therein, and were signed by the persons holding approximately ninety-four percent of the outstanding interests which were sold as aforesaid. That the persons holding the remaining 6% thereof did not sign said documents.

(5) That thereafter and on or about August 27, 1923, said W. M. Pargellis sub-leased said premises above referred to, to Plymouth Oil Company, a Nevada corporation, by a lease dated on said date and recorded on September 26, 1928, in Book 7262, Page 166 of official Records of Los Angeles County. That thereafter and from time to time supplements to said lease were entered into between W. M. Pargellis and McKeon Oil Company. That true copies of said lease and supplemental agreements are attached hereto marked Exhibit "E" and incorporated herein by reference. That a like number of persons signed written consents to the execution of said supplemental agreements as signed the consent to the original leases. That on September 11, 1928, said Plymouth Oil Company did, by an instrument in writing, assign all of its right, title and interest in and to said lease to McKeon Drilling Company, Inc., a California corporation, which assignment was recorded in Book 7264, Page 164 of Official Records of Los Angeles County. That thereafter the name of McKeon Drilling Company, Inc., was duly and regularly changed to Raleigh Oil Company by decree of the Superior Court of the State of California, in and for the County of Los Angeles, which decree was dated March 4, 1929. That thereafter the Articles of Incorporation of Raleigh Oil Company were duly and regularly amended so as to change the name of

Raleigh Oil Company to McKeon Oil Company. That thereafter the above entitled action was commenced against McKeon Oil Company and such proceedings were made therein that on June 4, 1931, the above entitled Court appointed George H. Stoddard as Receiver in Equity of all of the property and assets of said McKeon Oil Company. That on said day, said George H. Stoddard qualified and took possession of all of the assets of McKeon Oil Company, including the realty hereinbefore referred to and at all times subsequent thereto has been in possession thereof.

(6) That thereafter a like number of the divers and sundry persons who were interested in the property hereinbefore referred to executed and delivered to W. M. Pargellis a writing in words and figures the same as a copy thereof attached hereto and marked Exhibit "F". That said McKeon Oil Company drilled an oil well on the property hereinabove referred to which is known as "Reiber Well No. 2" and expended therefor the sum of \$220,825.42; That said well was placed upon production and from said production said McKeon Oil Company received back to itself the cost of drilling said well and in addition thereto the sum of \$19,174.58, and also paid to W. M. Pargellis the sum of \$64,000.00 out of the production of said well, which moneys were from time to time distributed by said W. M. Pargellis to all of the various persons who were interested in said oil well. That the checks so delivered to W. M. Pargellis were drawn to "W. M. Pargellis, Trustee."

(7) That said persons received said moneys with knowledge of the fact that the same had been obtained

and/or derived from the sale of oil and gas produced from said Reiber Well No. 2.

(8) That on or about April 25, 1930, the said W. M. Pargellis caused a suit to be instituted in the Superior Court of the State of California, in and for the County of Los Angeles, entitled "W. M. Pargellis, also known as Wright M. Pargellis, plaintiff, vs. McKeon Oil Company, a corporation, et al., defendants," and being case No. 301,677, in the office of the Clerk of said Court, a copy of the complaint with the exception of the account which is attached thereto as an exhibit, is attached hereto marked Exhibit "G". That thereafter said action proceeded to trial and during the course of said trial and on November 2, 1931, said Superior Court made an order, a copy of which is attached hereto marked Exhibit "H" and incorporated herein by reference. That said case is yet on trial and the trial thereof has not been concluded.

(A) That petitioner has made demand upon respondent for the possession of said property but respondent has refused to deliver the same.

IT IS FURTHER STIPULATED that said facts are not all of the facts in this case and that either party shall be at liberty to introduce additional evidence at the trial of this case.

Dated this 22nd day of June, 1932.

HAZLETT & PLUMMER, and
ROBERT J. SULLIVAN,

By Robert J. Sullivan
Attorney for Petitioner, Lewis J. Hampton,

IVAN G. McDANIEL,

By Spencer Austrian
Attorney for Respondent, George H. Stoddard."

The above written stipulation as to part of the facts in this matter having been handed to the Judge presiding, the following proceedings were then had:

“MR. SULLIVAN: Your Honor, this comes before you on a petition filed by us praying for the possession of a certain oil well and an accounting for certain proceeds. We have here a stipulation of facts, or a partial stipulation as to the facts. Do you wish this read into the record?

MR. AUSTRIAN: Yes.

THE COURT: Is it very long?

MR. SULLIVAN: No. It consists of about five pages. And then annexed to it are all of the exhibits.

MR. AUSTRIAN: There is no necessity for reading it at this time. The reporter can copy it. But there is one portion of the stipulation of facts I desire to object to, that is, I have stipulated to the correctness of the facts recited therein but I object to the admission of the facts into evidence.

MR. SULLIVAN: I believe the understanding of the whole thing is, your Honor, that these are just facts that would be sworn to if the witnesses themselves were placed on the stand.

MR. AUSTRIAN: That is correct. But I wish to object to the admission into evidence of the facts recited in paragraph two of the stipulation of facts, on page 2 commencing with line 10 and ending with line 25, on the ground that the facts recited therein are incompetent, irrelevant and immaterial and are hearsay and *res inter alios* as to this defendant; and on the further ground that there is no proper foundation laid for the introduc-

(Testimony of Theodore C. Reid)

tion of said facts. The rest of the facts in the stipulation of facts we have no objection to.

THE COURT: Are you going to have this record written up?

MR. SULLIVAN: Your Honor, I suppose that probably we had better reserve those objections until your Honor learns what the precise question is that is objected to.

THE COURT: If I could have a record of the proceedings at this time, then I could consider the objections.

MR. AUSTRIAN: Yes. If your Honor please, I would be glad to make a statement to the court so as to give your Honor an idea of what the facts are so that you will know what the case is all about.

THE COURT: Yes. I think you had better do that."
(Mr. Austrian makes statement).

THEODORE C. REID,

called as a witness on behalf of the Respondent, being first duly sworn, testified as follows:

"THE COURT: Before you commence with Mr. Reid, do I understand that this stipulation is to be filed?

MR. AUSTRIAN: I was under the impression, your Honor, that the facts were to be read into evidence and we could make objection to the introduction of the facts, especially in paragraph 2. I have no objection to the filing of it with the understanding that we object to the facts in paragraph 2, and that the court will later rule on their admissibility.

THE COURT: Yes. I am clear on that.

(Testimony of Theodore C. Reid)

MR. SULLIVAN: And it is agreeable to us that the stipulation go in on this theory, your Honor, if I might say a word for just a moment on what the theory of the petitioner is in this matter—counsel hasn't given your Honor the real point in issue.

THE COURT: You will have an opportunity to do that later. Let's get through with this witness first.

DIRECT EXAMINATION

BY MR. AUSTRIAN:

Q You are the Theodore Reid who was interested with Mr. Berliner in an oil well down here in Santa Fe Springs?

A Yes, sir.

Q Did you execute an assignment of your interest under that lease to Mr. Pargellis?

A Yes, sir.

MR. SULLIVAN: That is objected to and I move to strike the answer on the ground it is not the best evidence of a written assignment.

THE COURT: It seems to me that objection would be good.

MR. SULLIVAN: And we object to it on the further ground it is cumulative. Those facts are already stipulated to.

THE COURT: Is the document that you are referring to in the record here?

MR. AUSTRIAN: Yes, your Honor.

THE COURT: Merely as identifying the witness that would be admissible. If he is the Mr. Reid who signed a certain instrument, that is for mere identification and that would be admissible.

(Testimony of Theodore C. Reid)

MR. SULLIVAN: That, your Honor, wasn't the way I understood the question. It was whether or not he had executed such an assignment.

THE COURT: Let's have the question, Mr. Reporter.
(Question read.)

THE COURT: It is objectionable.

Q BY MR. AUSTRIAN: Are you the person who, together with Mr. Berliner—I will withdraw that. You are the same Mr. Reid, are you not, who executed the instruments similar to Exhibit C attached to the stipulation of facts?

MR. SULLIVAN: We will stipulate that he is the same person.

MR. AUSTRIAN: Very well. And also as to Exhibit A, will you stipulate that he is the same person that signed that instrument?

MR. SULLIVAN: Yes.

Q BY MR. AUSTRIAN: After you had signed an assignment of your interest under this oil and gas lease did you know that an oil well was being drilled upon the property by Mr. Pargellis?

A Yes.

MR. SULLIVAN: That is objected to on the ground it is immaterial and cumulative.

THE COURT: Overruled. Your position might be correct but I am unable to say at this time. Overruled.

Q BY MR. AUSTRIAN: You did know that?

A Yes; I knew of it.

Q And did you also know that an oil well was being drilled by the McKeon Oil Company upon that property?

A By hearsay.

(Testimony of Theodore C. Reid)

Q Did you at any time ever object to the drilling of that oil well?

MR. SULLIVAN: That is objected to as immaterial.

THE COURT: Overruled.

A I don't recall objecting to it.

Q BY MR. AUSTRIAN: That is, it was agreeable to you?

A Well, I had assigned all of my interests and I had nothing to say about it anyway.

Q That is all.

MR. SULLIVAN: No cross-examination.

MR. AUSTRIAN: I have additional evidence but I understood we were calling this witness out of order, that is, during the argument. Do you care to proceed now?

MR. SULLIVAN: Yes; if you don't mind.

(Mr. Sullivan makes statement).

THE COURT: Are you going to call witnesses?

MR. AUSTRIAN: Yes.

THE COURT: Maybe you had better do that at this time.

MR. SULLIVAN: Mr. Austrian, is it my understanding you are going back on the stipulation now that 94 per cent of the interests did sign those authorizations?

MR. AUSTRIAN: Oh, no; I am not going back on that. They did.

MR. SULLIVAN: And that was all that signed it?

MR. AUSTRIAN: Yes. I am not going back on it. As I understand it, we stipulated that 94 per cent of the unit holders signed. Is that correct?

MR. SULLIVAN: I think we stipulated that 94 per cent of the persons holding any interests signed.

(Testimony of Joseph K. Berliner)

MR. AUSTRIAN: Now I want to show that the persons who signed this so-called trust agreement also consented in addition to the persons to whom units had been sold. I want to show that the persons who signed these escrow instructions—

THE COURT: Very well. Call your witnesses.

MR. SULLIVAN: Maybe we might be able to stipulate that the parties who signed the escrow instructions also signed consents. But the thing we are driving at is the stipulation says 94 per cent of the beneficiaries did sign those consents.

THE COURT: Consents to what?

MR. SULLIVAN: To ordering the escrow instructions to provide that the lease might be made by Pargellis. In other words, all of them did not sign it.

THE COURT: Do you accept that stipulation on that?

MR. AUSTRIAN: Yes. But I still want to prove that the persons who signed these escrow instructions consented to the drilling of the well.

THE COURT: Very well. Call you witnesses.

MR. AUSTRIAN: Mr. Berliner, take the stand.

JOSEPH K. BERLINER,

called as a witness on behalf of the Respondent, being first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. AUSTRIAN:

Q Are you the Mr. Berliner who is associated with Mr. Reid, who was just on the stand, in the drilling of an oil well down at Santa Fe Springs?

(Testimony of Joseph K. Berliner)

MR. SULLIVAN: We will stipulate to that.

MR. AUSTRIAN: And will you also stipulate that he is the same person who assigned to Pargellis?

MR. SULLIVAN: So stipulated.

Q BY MR. AUSTRIAN: After you assigned your interest in this lease to Pargellis you knew, of course, there was an oil well in the process of drilling on the property?

A Yes.

Q And you knew that Mr. Pargellis made arrangements for the completion of the drilling of that oil well?

MR. SULLIVAN: That is objected to on the ground that the word "arrangements" is too indefinite.

MR. AUSTRIAN: I will withdraw the question.

Q You knew that Mr. Pargellis completed the drilling of that oil well?

A Are you speaking of No. 1 or No. 2?

Q No. 1.

A Yes, sir.

Q And you knew, did you not, that Mr. Pargellis—withdraw that. You knew, did you not, that the McKeon Oil Company commenced the drilling of another well on that property?

A. I heard of it.

Q And did you at any time ever make any objection to that?

A I was a disinterested party.

Q You had no interest in it whatsoever?

A No, sir.

MR. AUSTRIAN: That is all.

(Testimony of Joseph K. Berliner)

MR. SULLIVAN: No cross-examination.

MR. AUSTRIAN: Just a moment; a few more questions.

Q Do you know who the members of Reid & Berliner, a co-partnership, were?

MR. SULLIVAN: That is objected to on the ground it is not the best evidence.

THE COURT: Overruled.

Q BY MR. AUSTRIAN: Do you know who the members of Reid & Berliner, a co-partnership, were?

A Yes.

Q Who?

A Reid and Berliner, that is, myself and Mr. Reid.

Q That is, the gentleman who was just on the stand?

A Yes, sir.

Q Do you know what the F. R. B. Drilling Co., Inc. is?

MR. SULLIVAN: That is objected to on the ground it is calling for a conclusion of the witness. It is stipulated it is an incorporation.

Q BY MR. AUSTRIAN: Do you know who are the officers of the F. R. B. Drilling Co., Inc.?

MR. SULLIVAN: That is objected to on the ground it calls for the conclusion of the witness and is hearsay.

THE COURT: Overruled.

A. A man by the name of Mr. Fitch, Mr. Reid and Mr. Berliner.

THE COURT: What company is this?

A The F. R. B. Drilling Co., Inc.

MR. SULLIVAN: I move to strike the answer on the same ground, your Honor.

(Testimony of Joseph K. Berliner)

THE COURT: Strictly, the objection is good, of course, but this is to a certain extent an informal proceeding; and, if you are trying to hurry it up, this is a mighty poor way to do it.

MR. SULLIVAN: Yes; but this is cumulative of the stipulation?

THE COURT: Yes. But does the witness know about it?

A Yes.

THE COURT: Tell me who the members are of the F. R. B. Drilling Co.

Q BY MR. AUSTRIAN: As a matter of fact, you and Mr. Reid owned all of the stock in this company, is that correct?

A Yes, sir.

Q And you and Mr. Reid owned all of the stock of Reid & Berliner, Inc., did you not?

A Yes, sir.

Q And you and Mr. Reid were the Are-Bee Oil Syndicate, a trust, were you not?

A Yes, sir.

Q And Mr. Reid, who was just on the stand, is the same Mr. Reid who was a member of Reid & Campbell, a co-partnership, was he not?

A Yes, sir.

MR. AUSTRIAN: That is all.

MR. SULLIVAN: No cross-examination.

MR. AUSTRIAN: I will call Mr. Baringer.

(Testimony of Juan J. Baringer)

JUAN J. BARINGER,

called as a witness on behalf of the Respondent, being first duly sworn, testified as follows:

Q BY THE CLERK: What is your name, please?

A Juan J. Baringer.

DIRECT EXAMINATION

BY MR. AUSTRIAN:

Q Are you an officer of the Prudential Finance Corporation, Mr. Baringer?

A I am.

Q What officer?

A Secretary.

Q How long have you been such?

A Oh, practically seven years.

Q Is Mr. Pargellis also an officer of that company?

A He is.

Q How long has he been such?

A It dates back from the time of the incorporation in September, 1923.

Q Do you know whether a board meeting was had by the directors of your company, at which time the execution of a lease on the Rieber property was discussed?

A Yes, sir.

Q Were you present at that meeting?

A I was.

Q Who else was present?

A Mr. Rittigstein and Mr. Pargellis.

Q Did that compose the board of directors?

A They were the only three members out of five who were there.

(Testimony of Lewis J. Hampton)

Q What was said at that time?

A The proposition was put up by Mr. Pargellis that he had a chance to sublease a part of that lease down there for the purpose of drilling another well; and we gave our consent for him to go ahead and do it with a reliable oil company.

MR. AUSTRIAN: That is all.

CROSS EXAMINATION

BY MR. SULLIVAN:

Q That is, just the Prudential Finance Company gave their consent?

A Just the Prudential Finance Company; yes.

MR. SULLIVAN: No further cross-examination.

MR. AUSTRIAN: I will call Mr. Hampton.

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LEWIS J. HAMPTON,

called as a witness on behalf of the Respondent, being first duly sworn, testified as follows:

Q BY THE CLERK: What is your full name?

A Lewis J. Hampton.

DIRECT EXAMINATION

BY MR. AUSTRIAN:

Q You have read over your petition in this action, have you?

A Yes; I have.

Q And you signed it and verified it?

A I have.

Q Can you tell me where you get your information that the McKeon Oil Company took this property that

(Testimony of Lewis J. Hampton)

you have alleged in your petition without the consent and contrary to the wishes, desires and permissions of Prudential Finance Company, a corporation, Reid & Berliner, F. R. B. Drilling Co., Reid & Campbell, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, or any of them?

MR. SULLIVAN: That is objected to on the ground that there is an improper attempt to impeach the witness and on the further ground that the findings of this court will govern whether or not that petition is true on the face of it or not and, furthermore, it is immaterial where he got his information.

THE COURT: Overruled.

A On these assignments.

Q BY MR. SULLIVAN: On what assignments?

A The fact they didn't all sign; the fact they didn't all consent.

MR. SULLIVAN: May we note an exception to the court's ruling?

THE COURT: Yes.

Q BY MR. AUSTRIAN: Do you know who the officers of the F. R. B. Drilling Co., Inc. are?

A No; I do not.

Q How do you know they didn't consent?

A I am not speaking of the officers. I am speaking of the unit holders.

Q Is the F. R. B. Company, Inc. a unit holder?

MR. SULLIVAN: That is objected to as argumentative.

THE COURT: Overruled.

(Testimony of Lewis J. Hampton)

A. Not in this receivership estate I am representing, they are not.

Q BY MR. AUSTRIAN: As a matter of fact, you don't know whether the F. R. B. Drilling Co. Inc. ever consented or not, is that correct?

A No; I do not.

Q And you don't know whether the Prudential Finance Company, a corporation, consented or not?

A No; I do not.

THE COURT: Unless you expect to develop something other than lack of knowledge of these matters in the complaint, I don't think it is important. It is for the petitioner to establish its truth.

MR. AUSTRIAN: Very well. That is all.

MR. SULLIVAN: That is our contention, your Honor, where he gets his information. And we move now to strike the whole examination from the record based on the same grounds as heretofore given.

THE COURT: No, I will let it stand.

MR. SULLIVAN: We will note an exception.

CROSS EXAMINATION

BY MR. SULLIVAN:

Q When you said, Mr. Hampton, that you do not know whether or not these people signed consents, what do you mean by that?

A Several of them had been in my office, saying they didn't consent to it.

Q And have you any written consents on file in your office for those people?

A No.

(Testimony of Lewis J. Hampton)

MR. SULLIVAN: That is all.

MR. AUSTRIAN: That is all. That is all we have.

MR. SULLIVAN: Nothing further on behalf of the petitioner. We rest.

THE COURT: Very well, gentlemen. Do you want to file anything in the way of authorities or do you want to argue the matter?

MR. AUSTRIAN: I think the matter should be argued, your Honor. I think oral argument would be the best way to handle it.

THE COURT: It will be necessary for me to familiarize myself with the record before you do that and I will be glad to give you an opportunity any time that I can.

MR. AUSTRIAN: Is your Honor going to rule at this time on the question of the admissibility of the facts in the stipulation to which objections were made?

THE COURT: No. I couldn't very well do that.

MR. AUSTRIAN: Will you reserve a ruling on that?

THE COURT: I will reserve a ruling on that.

MR. AUSTRIAN: Does your Honor desire to fix a time for oral argument on this matter?

THE COURT: It wouldn't be possible now but I will probably be able to reach it next week. Will you be able to attend to it on short notice?

MR. AUSTRIAN: I believe so.

MR. SULLIVAN: Yes, your Honor. And I wonder if before we close this matter—there was one item left

out of the stipulation and that is that you have impounded in the hands of Mr. Stoddard, the Receiver, at the present time a little in excess of \$7,000.

MR. AUSTRIAN: Which we have offered to pay you.

MR. SULLIVAN: Other than as mentioned in the stipulation of fact on file.

MR. AUSTRIAN: Yes. We will so stipulate on the condition that you stipulate that we have offered to pay it to you and you refused to accept it.

MR. SULLIVAN: Yes; that is all right. We will stipulate to that.

MR. AUSTRIAN: That amount of money, of course, represents the amount of money due as rental under the sublease.

THE COURT: Due to whom?

MR. AUSTRIAN: Due to W. M. Pargellis or, if Mr. Hampton is in fact the receiver, then it is due to him, of which we have made tender.

MR. SULLIVAN: And that no money at all has passed between Mr. Stoddard and Mr. Hampton on those leases?

MR. AUSTRIAN: I think that is the fact, although we have tendered it to him.

THE COURT: Very well, I will notify counsel as soon as I can reach it. We will take a recess until 2 o'clock."

EXHIBITS

That the following exhibits are those stipulated to and offered and used by both parties in this proceeding, and which are annexed to the written stipulation of part of the facts out of which this controversy arose:

STIPULATED EXHIBIT A, BOTH PARTIES
ASSIGNMENT OF LEASE

“BOOK 2748 PAGE 127 OF OFFICIAL RECORDS.
ASSIGNMENT OF LEASE

This assignment made and entered into this 23rd day of August, 1923, by and between Theodore J. Reid and Genevieve V. Reid, his wife, Joseph J. Berliner and Mabel E. Berliner, his wife, parties of the first part, of the City of Los Angeles, County of Los Angeles, State of California, and W. M. Pargellis, Trustee, of the same place, party of the second part;

Witnesseth: That Whereas, the said first parties have secured an assignment of that certain lease dated November 7th, 1922, by and between C. H. Nickell, as leasee, and W. A. Swem and Bertha M. Swem, his wife, Roy L. Brown and Nellie Brown, his wife, Lester R. Godward and Helen Godward, his wife, and Michael Rudolph and Lillian F. Rudolph, his wife, as lessors, said assignment being described as follows:

Lots Twenty-two (22) and Twenty-four (24) of Blanchard Subdivision in the County of Los Angeles, State of California, as per maps recorded in Book 18 at Page 69 Miscellaneous Records in the office of the County Recorder of said County.

Now, Therefore, in consideration of the sum of One (\$1.00) Dollar and other valuable considerations by said

party of the second part herein to said parties of the first part hereto in hand paid, receipt whereof is hereby acknowledged, said first parties hereby sell, transfer and set over to said second party hereto all of their right, title and interest in and to the aforementioned leasehold estate hereinbefore described.

This assignment shall be binding upon and inure to the benefit of the heirs, administrators, successors and assigns of the respective parties hereto.

In Witness Whereof, the parties hereto have hereunto set their hands the day and year first above written.

Theo. C. Reid
Genevieve V. Reid
Joseph J. Berliner
Mabel E. Berliner

State of California,)
) SS.
County of Los Angeles)

On this 25th day of August in the year nineteen hundred and 23 A. D. before me, Louisa J. Mullaney, a Notary Public in and for the said County of Los Angeles, State of California, residing therein, duly commissioned and sworn, personally appeared Theo. O. Reid, Genevieve V. Reid, Mabel E. Berliner, Joseph J. Berliner, personally known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(Notarial Seal) Louisa J. Mullaney,
Notary Public in and for Los Angeles County, State of
California. My Commission expires April 3, 1927.

#1331. Copy of original recorded at request of Assignee, Aug. 29, 1923 at 19 Min. Past 12 M. Copyist #3 Compared, C. L. Logan, County Recorder, By M. Frazier, Deputy.

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STATE OF CALIFORNIA)
County of Los Angeles) SS.

I hereby certify the foregoing to be a full, true and correct copy of the instrument appearing recorded in Book No. 2748 of Official Records, Page 127, Records of Los Angeles County, and that I have carefully compared the same with the original record.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal, this 26 day of November, 1929.

(Seal) C. L. LOGAN, County Recorder
By B. M. SANFORD, Deputy

STIPULATED EXHIBIT B, BOTH PARTIES
ESCROW INSTRUCTIONS

“EXHIBIT ‘A’

Escrow 14802
Sept. 18, 1923.

Citizens Trust and Savings Bank,
City.

Gentlemen:—

We, Reid & Berliner, F. R. B. Drilling Co. Inc., Reid & Campbell, Are-Bee Oil Syndicate and Reid & Berliner, Inc. will hand you the following papers affecting NE¼

of the SE $\frac{1}{4}$ Section 1, Township 3 South, Range 12 West, known as the "Mac Well" and Lots 22 and 24 Blanchard Subdivision at 18/69 M. R. known as the "Reiber Well" namely:

1st: Assignment of lease dated November 7th, 1922 between C. H. Nickell and W. A. Swem, et al., same to show properly assigned by us to W. M. Pargellis, Trustee.

2nd; Drilling contracts on Reiber Well—assigned to W. M. Pargellis, trustee.

3rd: Assignment of 189/20% interest in Reiber Well to W. M. Pargellis, trustee.

4th: Assignment of 30% interest in the Mac Well to W. M. Pargellis, trustee,
which you are authorized to hold in escrow under the following conditions:

You will receive \$40,000.00 more or less from 60% of the first production of the Reiber Well; that proportion of the production to 189/20% above assigned, that proportion accruing to the 30% of the Mac Well, above assigned, and any funds which may be received from the sale of any equipment now held under chattel mortgage securing a certain \$35,000 note in favor of Citizens Trust and Savings Bank.

You will pay out this money on the order of W. M. Pargellis, trustee for the following purposes:

AND IT IS HEREBY AGREED Between the principals hereto that the money shall be used for the following purposes, towit:

1st: To the expense of operating the Reiber Well.

2nd: The cost of drilling operation on the Reiber Well.

3rd: The payment of a \$35,000.00 note to the Citizens Trust and Savings Bank dated 8/22/23 due 90 days thereafter.

4th: "A" \$35,000.00 due in accordance with previous agreement with Prudential Finance Company in a previous escrow with Citizens Trust and Savings Bank.

"B" \$30,000.00 more or less due to supply houses by the F. R. B. Drilling Corporation or affiliated interests.

5th: \$70,000.00 more or less due to Are-Bee Oil Syndicate, a trust, being an impounding fund under escrow No. _____ with Citizens Trust and Savings Bank, same to be held under instructions in said escrow.

Each order drawn for payment of money as above to be signed by the Trustee and such order to state what the payment applied. The bank as escrow agent is hereby relieved of all responsibility as to the application of the funds so drawn and is not liable to any party hereto for the proper application of said funds.

W. M. Pargellis, as trustee, shall release by assignment 1% or more of the Mac Well, same not to exceed 20% on a basis of \$2500.00 for each 1% providing the money so received is placed in escrow to the credit of said trustee, and provided further, that should the entire 30% of the Mac Well be sold the trustee shall assign same on a payment of \$55,000.00 to be used under above trusts.

W. M. Pargellis, trustee, shall immediately place in escrow a reassignment of the assignments aforemade to him, except those in the Mac Well, which are to be delivered only when the above conditions have been fulfilled in the following manner:

1st: 13 9/20% of Reiber Well to be assigned to Reid & Berliner.

2nd: 5% of Reiber Well to be assigned to Prudential Finance Company.

All expenses of this escrow to be paid out of the funds accruing therein.

It is hereby understood that you are not to make an examination of the property herein described nor to the title thereof nor any instrument deposited in this escrow but are to make a delivery of said instruments as in escrow at the proper time without any further liability to yourselves.

In case no part of the 30% under the Mac Lease is sold doing this escrow and providing all other conditions are fulfilled as above you are to procure from the trustee an assignment of said 30% to Reid & Campbell.

These instructions are not limited as to the time and are irrevocable except by the written consent of all parties to this escrow.

W. M. PARGELLIS,
Trustee.

PRUDENTIAL FINANCE CO.

By John T. Roundtree, Pres.

By Geo. E. Reid, Secty. & Treas.

REID & BERLINER, a co-partnership

Theodore C. Reid Genevieve V. Reid, by Theodore C. Reid

Joseph J. Berliner, Mabel E. Berliner, by Joseph J. Berliner, Atty in fact.

F. R. B. DRILLING CO. INC.

Theodore C. Reid, Pres. & Treas.

Joseph J. Berliner, Vice-Pres., Secy.

REID & CAMPBELL, a co-partnership

Theodore C. Reid, Genevieve V. Reid by Theodore C. Reid, Atty in fact.

M. A. Campbell, Nellie L. Campbell By M. A. Campbell, Atty in fact.

ARE-BEE OIL SYNDICATE, a trust,

Julian G. Kirsten

Theodore C. Reid,

Joseph J. Berliner

M. A. Campbell

REID & BERLINER INC

Theodore C. Reid, Pres. & Treas.

J. G. Kirsten, Secy.

STIPULATED EXHIBIT C, BOTH PARTIES,
FORM OF ASSIGNMENT OF INTERESTS.

“This agreement, made and entered into this..... day of..... 1923, by and between Theodore C. Reid and Genevieve V. Reid, his wife, and Joseph J. Berliner and Mabel E. Berliner, his wife, all of the City of Los Angeles, California, parties of the first part, and, party of the second part. Witnesseth: That for and in consideration of the sum of \$10.00 and other good and valuable considerations to the parties of the first part in hand paid, the receipt whereof is hereby acknowledged, the parties of the first part do hereby sell, assign, transfer and convey unto the party of the second part and to his heirs and assigns and undivided per cent Royalty Interest in and to all oil and gas produced from that certain land located in the Santa Fe Springs Oil District in the County of Los Angeles, State of California more particularly described as: Lot 22 and 24 of Blanchard’s Subdivision as per maps thereof recorded in Book 18 page 69, Miscellaneous Record, in the office of the County Recorder of Los Angeles County, which land is held by the parties of the first part under an assignment of lease recorded in said office on the 6th day of December, 1922, in Book 1620, Page 176 of Official Records, and said party of the second part hereby purchases said Royalty Interest on the following terms and conditions, to wit: It is mutually understood and agreed that said Royalty Interest is subject to its proportionate share of the cost in excess of \$110,000.00 and not exceeding \$150,000.00 of drilling a well on said lease, which cost is payable out of oil. The parties of the first

part are hereby expressly authorized and empowered to sell all oil and gas produced from said lease and to receive the proceeds thereof and agree to remit to the party of the second part each month for his said part of said oil and gas produced and sold during the preceeding month, less however, the cost of operating the well or wells on said lease, which cost it is hereby understood and agreed shall be pro rated among the holders of an undivided 60% Royalty Interest in all of the oil produced from said lease. In witness whereof, we have hereunto set our hands and seals the day and year first hereinabove written

Theodore C. Reid
Genevieve V. Reid
by Attorney in Fact

Joseph J. Berliner
Mabel E. Berliner
By Joseph J. Berliner
Attorney in fact

Parties of the first part

Party of the second part

STIPULATED EXHIBIT D, BOTH PARTIES,
FORM OF AUTHORIZATION FOR AGREEMENT
TO DRILL WELL

“Los Angeles, California,
August 11, 1928.

Mr. W. M. Pargellis, Trustee,
Los Angeles, California.

Dear Sir:

In consideration of the agreement to be made by you as Trustee with an Oil Company, in your opinion re-

sponsible, said Company to drill a second well on the following described property in Los Angeles County, State of California:

Lots 22 and 24 of Blanchard's Sub-division in the County of Los Angeles, State of California, as per map recorded in Book 18, page 69 Miscellaneous Records Los Angeles County California:

and so that a satisfactory lease may be made with said Company, and in further consideration of a like promise being made by others interested in said land, I hereby agree to the following:

That out of the first oil and gas saved and produced from said well, the Company drilling said well is to have and receive out of $\frac{7}{8}$ ths of the gross production the cost of said drilling, not to exceed \$125,000.00, with the further understanding that there is to be no charge or cost to us in connection with said drilling. That until said Oil Company has been reimbursed for the drilling of said well as above stated, I am to share in $\frac{1}{8}$ th of the gross production from said well on the following basis: (the following percentage was inserted with pen)

$\frac{1}{4}$ of 1% of ~~Net total received by Trustee.~~

That after said Company has received the cost of drilling said well as aforesaid, I am then to have and receive the same proportion of 40% of Rieber #2 as I am now receiving in 100% of Rieber #1 it being expressly understood and agreed that my royalty interest in the well known as Rieber No. 1 remains unchanged.

Very truly yours,

(Signed) *E. J. Curtis*

Accepted:

(Signed) W. M. Pargellis

Trustee

STIPULATED EXHIBIT E, BOTH PARTIES
OIL AND GAS LEASE.

“*OIL AND GAS LEASE*

THIS LEASE MADE AND ENTERED INTO this 27th day of August, 1928, by and between W. M. Pargellis, Trustee, of Los Angeles, California, first party, hereinafter called Lessor, and PLYMOUTH OIL COMPANY, a Nevada Corporation, second *part*, hereinafter called Lessee,

WITNESSETH:

That the Lessor, for and in consideration of Ten Dollars in hand paid, receipt whereof is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the Lessee to be paid, kept and performed, has granted, demised, leased and let, and by these presents does grant, demise, lease and let to said Lessee, for the purpose of exploring, mining and operating for oil, gas and casinghead gas, and other hydrocarbon substances, and taking, storing, removing and disposing of same, and manufacturing gasoline and other products therefrom, with the right for such purposes, to the free use of oil, gas or water from said land, but not from Lessor's wells, and granting the right to build tanks and such other structures (excepting refinery) as may be necessary and convenient in its operations, together with rights-of-way and servitude for pipe lines, power lines, telephone and telegraph lines, with the right of removing either during or after the term hereof any and all improvements places or erected on the premises by Lessee, including all casing, all that certain tract of land situated in the County of Los Angeles, State of California, described as follows, to-wit:

East 100 feet of Lot 24 of Blanchard's Subdivision in the Rancho Santa Gertrudes, County of Los Angeles, State of California, as per map recorded in Book 18, Page 69 of Miscellaneous Records in the office of the County

together with the right to put tanks on Lot 22 of said Tract, providing said tanks are placed so as not to interfere with any drilling operations now being carried on on said tract, subject to the terms and conditions of an Oil Contract dated May 1st, 1927, between Lessor and Rio Grande Oil Company, a corporation, said contract terminating April 30, 1932.

TO HAVE AND TO HOLD, the same for a term of twenty (20) years from and after the date hereof, and so long thereafter as oil or gas or casinghead gas or other hydrocarbon substances, or either of any of them, is produced therefrom in quantities deemed paying by Lessee.

In consideration of the premises it is hereby agreed as follows:

1. That on or before thirty (30) days from and after the delivery of this lease the Lessee will have erected a good and sufficient derrick on said described premises sufficient for the drilling operations required hereunder, and on or before forty-five (45) days from and after the delivery of this lease the Lessee will be actually engaged in the drilling of an oil well on said premises, and thereafter prosecuting the drilling of said well with reasonable diligence and in good faith to a depth of Sixty-two Hundred (6200) feet, unless oil is found in paying quantities as hereinafter defined, at a lesser depth. It is understood that the said oil well will be drilled with a rotary or standard outfit in the manner customary and

usual in the Santa Fe Springs Oil District, and that no portable or other temporary outfit or apparatus shall be used on said premises.

2. That said Lessee will continuously pump and operate any well in which it shall obtain oil or gas, and will prosecute the work herein specified diligently and in good faith.

3. That said Lessee shall pay Lessor, as royalty one-eighth ($\frac{1}{8}$ th) of the proceeds derived from the sale of gas from said premises, as well as one-eighth ($\frac{1}{8}$ th) of the proceeds of the gasoline or other products manufactured and sold by the Lessee from gas products from said well until the Lessee has been reimbursed for the cost of drilling said well, which said cost shall in no event exceed the sum of One Hundred Twenty-five Thousand (\$125,000.00) Dollars. After said Lessee has been so reimbursed from production of oil or gas for the drilling of said well, it shall pay said Lessor as royalty or rental forty per cent (40%) of the proceeds of all oil removed from said premises, together with forty per cent (40%) of the proceeds derived from the sale of gas from said premises, as well as forty per cent (40%) of the proceeds of gasoline or other products manufactured and sold by the Lessee from gas produced from said well.

4. That said Lessee will market all royalty oil and gas along with and upon the same terms that it markets its own, and cause the purchaser of said oil and gas to pay same to the said Lessor on the basis above provided on the day of each and every month, after deducting therefrom Lessor's pro rata of operating cost based upon the proportionate interest as above stated, without any other expenses to said Lessor. If any gas is sold,

then the Lessee shall pay to the Lessor his percentage thereof, as above agreed, on the 20th day of each and every month. If casinghead gasoline is manufactured on the premises or elsewhere by the Lessee from gas produced in said well, then the Lessee shall pay to the Lessor his percentage thereof as above agreed, less the pro rata percentage to the Lessor of the cost of producing and selling the same, which payment shall be made monthly.

5. If, after the expiration of the twenty year term of this lease, production on the premises herein leased shall cease from any cause, this lease shall not terminate provided Lessee resumes operations for the restoration of production within sixty (60) days from such cessation, and this lease shall remain in force during the prosecution of such operation, and, if production results therefrom, then as long as production continues.

6. Notwithstanding anything in this lease contained to the contrary, it is expressly understood and agreed that the obligation imposed upon the Lessee may be suspended so long as Lessee's compliance is prevented by the elements, accidents, strikes, lockouts, riots, delays in transportation, inability to secure materials in the open market or interference by State or Federal action, or other causes beyond the reasonable control of the Lessee.

7. The Lessee shall carry on all operations in a careful, workmanlike manner and in accordance with the laws of the State of California. The Lessee shall keep full records of the operations and of the production and sales of products from said property and such records and the operations on the property shall be at all reasonable times open to the inspection of the Lessor. Whenever requested by the Lessor, the Lessee shall furnish to the

Lessor a copy of the Log of the well drilled on said property, and Lessee shall furnish to the Lessor copies of all reports filed with the Mining Bureau of the State of California.

8. That the Lessee shall pay all taxes on his improvements and seven eighths ($\frac{7}{8}$ ths) of the increase if the taxes resulting from the production of oil on said premises, and taxes on all oil belonging to the Lessee stored on said land until Lessee has been reimbursed for the cost of drilling said well as hereinabove provided; thereafter said Lessee shall pay sixty per cent (60%) of such taxes and the Lessor shall pay the remaining forty per cent (40%) of such taxes. The Lessee is hereby authorized to pay all taxes on said land and improvements and deduct the Lessor's share from the amount of royalties due Lessor.

9. On the expiration of the lease, or if sooner terminated, the Lessee shall quit and peaceably surrender possession of the premises to the Lessor, and deliver to him a good and sufficient quit claim deed, and shall, so far as practicable, cover all sump holes and excavations made by it. In case of abandonment of said well by Lessee, if the Lessor desires to retain the same, he may notify the Lessee to that effect, and thereupon the Lessee shall leave such casing in the well as the Lessor may require, and the Lessor shall pay to the Lessee fifty (50) per cent of the original cost of such casing on the ground.

10. All work done on the land by the Lessee shall be at the Lessee's sole cost and expense, and the Lessee agrees to protect said land and the Lessor of claims of contractors, laborers or material, men, and the Lessor may post and keep posted on said lands such notices as

he may desire in order to protect said lands against liens.

11. Lessor hereby warrants and agreed to defend the title to the land herein described and agrees that the Lessee, at its option, may pay and discharge any taxes, mortgages or other valid liens existing, levied or assessed on or against the above described lands, and in the event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, taxes or other valid lien, any royalty or rentals accruing hereunder.

12. If the estate of either party hereto is assigned, and the privilege of assigning is expressly allowed, the covenants hereof shall extend to the heirs, executors, administrators, successors and assigns, but no change of ownership in the land or in the rentals or royalties shall be binding on the Lessee until after Lessee has been furnished with written notice of such transfer or assignment, together with a certified copy of the instrument of transfer or assignment.

13. "Drilling Operations" as used in this lease is defined to mean placing of material upon premises for the construction of a derrick and other necessary structures for the drilling of an oil and gas well followed diligently by the construction of such derrick and other structures, and by the actual operation of drilling in the ground.

14. All payments which may fall due under this lease shall be made to W. M. Pargellis, Trustee, in the manner herein stated.

15. "Paying Quantities" as used in this lease shall mean not less than one hundred barrels of oil produced daily from said well for thirty (30) consecutive days.

IT IS UNDERSTOOD that W. M. Pargellis, trustee, acquired his rights through a lease dated November 7th, 1922, executed by W. A. Swem, Bertha M. Swen, his wife, Roy L. Brown, Nellie Brown, his wife, Lester R. Godward, Helen P. Godward, his wife, Michael Rudolph and Lillian F. Rudolph, his wife to C. H. Nickell, recorded in Book 1620, Page 176 of Official Records, Los Angeles County, California; the interest of said C. N. Nickell being assigned to Theodore C. Reid and Joseph J. Berliner, by assignment dated February 21st, 1923, and recorded March 29th 1923, in Book 2035, Page 211 of Official Records, Los Angeles County, California, followed by an Assignment by Theodore C. Reid and Joseph J. Berliner of said lease to W. M. Pargellis, Trustee, by Assignment dated August 23rd, 1923, and recorded in Book 2748, Page 127 of Official Records, Los Angeles County, California.

Time is the essence of this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this lease to be executed the day and year first above written.

W. M. PARGELLIS

Lessor.

PLYMOUTH OIL COMPANY,
a Nevada corporation

By PAUL F. TRAVIS

President.

By RAY T. MOORE

Secretary.

Lessee

State of California,)
) ss.
County of Los Angeles.)

On this 28th day of August, in the year nineteen hundred and 28, A. D., before me, F. Ione Russell, a Notary Public in and for the said County of Los Angeles, State of California residing therein, duly commissioned and sworn, personally appeared W. M. Pargellis personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in said county the day and year in this certificate first above written.

SEAL

F. IONE RUSSELL,

Notary Public in and for the County
of Los Angeles, State of California.

My Commission Expires April 26, 1931.

State of California)
) ss.
County of Los Angeles)

On this 27th day of August, in the year nineteen hundred and twenty-eight, A. D., before me, MARGUERITE G. BURROWS, a Notary Public in and for said County of Los Angeles, State of California, residing therein, duly commissioned and sworn, personally appeared Paul F. Travis, known to me to be the President, and Ray T. Moore, known to me to be the Secretary of Plymouth Oil Company, the Corporation that executed the within instrument known to me to be the Persons who executed the within instrument on behalf of the Corporation therein named, and acknowledge to me that such Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

MARGUERITE G. BURROWS,
Notary Public in and for Los Angeles
County, State of California.

My Commission expires, July 7, 1929.

SUPPLEMENTAL AGREEMENT TO OIL AND
GAS LEASE

—oo—

AGREEMENT, made the 12th day of September, 1923, by and between W. M. Pargellis, Trustee, party of the first part, and McKEON DRILLING COMPANY, INC., a California Corporation, party of the second part,

WITNESSETH:

WHEREAS party of the first part, as lessor, has heretofore, and as of August 27, 1928, made and delivered an oil and gas lease of the premises hereinafter described to Plymouth Oil Company, as Lessee, and

WHEREAS said Plymouth Oil Company has assigned said oil and gas lease to the party of the second part, and

WHEREAS, the parties hereto desire to amend the said lease in certain particulars, hereinafter set forth, and to cure certain ambiguities in said lease,

NOW, THEREFORE IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL COVENANTS HEREIN CONTAINED THE PARTIES AGREE AS FOLLOWS, To WIT:

1. The party of the first part, consents to the assignment, by said Plymouth Oil Company, to the party of the second part, of that certain oil and gas lease affecting the premises particularly described as, East One Hundred (100) feet of Lot Twenty-four (24) of Blanchard's Subdivision in the Rancho Santa Gertrudes, County of Los Angeles, State of California, as per map recorded in Book 18, Page 69 of Miscellaneous Records in the office of the County Recorder of said County, made by the party of the first part as Lessor to said Plymouth Oil Company, as Lessee and bearing date the 27th day of August, 1928.

2. ~~It is mutually understood and agreed that the period of time within which the lessee shall have erected a derrick, and shall have actually commenced the drilling of an oil well, as in paragraph "1" of said lease mentioned shall commence to run from the date of this agreement, and not from the date of said lease.~~

[ok to strike out. W. P.]

3. It is further mutually understood and agreed that the drilling requirements/of said lease, as set forth in paragraph "1" thereof shall be construed to mean that lessee shall drill the well therein mentioned, to a depth of sixty two hundred (6200) feet, unless the zone of oil sand known as the "Buckbee sand" is successfully penetrated, and oil or gas produced therefrom at a lesser depth, provided, however, that in any event said well shall not be placed on production from the zone from which the existing well on the said premises is now producing; it being the purpose and intent of said lease that all production thereunder shall be from the deeper zone, generally known as the "Buckbee sand" underlying the presently producing zone.

4. It is further understood and agreed that the cost of drilling said well, for the purpose of reimbursing the Lessee for such drilling, as set forth in paragraph "3" of said lease is hereby fixed at the sum of One Hundred Twenty Five Thousand (\$125,000) Dollars, regardless of the sum the party of the second part may actually expend thereon.

5. It is further understood and agreed that the Lessee shall have the right to enter into a new purchase contract for the sale of oil from the premises so leased, upon the termination of the existing contract with the Rio Grande Oil Company, mentioned in said lease, provided that the price paid under such purchase contract shall never be less than the posted price, and that the lessor shall receive the benefit thereunder of any bonus, over the posted price, which may be offered for oil from said premises.

6. And the party of the first part covenants and agrees that if at any time he decides to deepen the well, known as the Rieber #1, now/producing on said premises, the party of the second part shall have the first and prior right to deepen said well, on terms not less favorable to the party of the second part, then are offered to any other responsible contractor.

7. It is mutually understood and agreed that wherever the terms and conditions of the said lease and of this agreement conflict, the terms and conditions of this agreement shall supercede and control the terms and conditions of said lease; in all other respects the terms and conditions of said lease are hereby adopted, accepted and confirmed, as the agreement of the parties hereto.

IN WITNESS WHEREOF the party of the first part has hereunto set his hand and the party of the second part has executed this agreement by its proper officers, thereunto duly authorized, the day and year first above written.

W. M. Pargellis, Trustee
Party of the first part, as lessor.

(SEAL) MC KEON DRILLING CO., INC.,
By R. S. McKeon
Its President

By E. A. Thackaberry
Its Secretary

Attest:

E. A. Thackaberry
Secretary.

Party of the second part, as lessee.

STATE OF CALIFORNIA,)
) SS.
COUNTY OF LOS ANGELES.)

On this 12th day of September, A. D. 1928, before me, H. L. Watt a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared W. M. Pargellis, known to me to be the person whose name is subscribed to the within Instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.

H. L. Watt
Notary Public in and for said County and State.

STATE OF CALIFORNIA,)
) SS.
 COUNTY OF LOS ANGELES.)

On this 12th day of September, A. D. 1928, before me, Marguerite G. Burrows, a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared R. S. McKeon, known to me to be the President and E. A. Thackaberry, known to me to be the Secretary of the MCKEON DRILLING CO., Inc., the corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument, on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL) Marguerite G. Burrows,
 Notary Public in and for said County and State.



SECOND SUPPLEMENTAL AGREEMENT TO OIL
 AND GAS LEASE

THIS AGREEMENT, made this 10th day of April, 1929, between W. M. Pargellis, Trustee, party of the first part, and Raleigh Oil Company, a California corporation, formerly known as McKeon Drilling Company, Inc., which name was changed by Decree of the Superior Court in and for the County of Los Angeles, State of California, dated March 4th, 1929, party of the second part.

WITNESSETH:

WHEREAS, on the 27th day of August, 1928, a certain oil and gas lease was made and entered into between W. M. Pargellis, Trustee, of Los Angeles, California, Lessor and Plymouth Oil Company, a Nevada Corporation, Lessee, covering the following described land in the County of Los Angeles and State of California, to wit:

East 100 feet of Lot 24 of Blanchard's Subdivision in the Rancho Santa Gertrudes, County of Los Angeles, State of California, as per map recorded in Book 18, Page 69 of Miscellaneous Records in the office of the County Recorder of said County;

said lease being recorded in the office of the County Recorder of Los Angeles County, in Book 7262 at Page 166 of Official Records, Los Angeles County, California.

WHEREAS, on the 11th day of September, 1928 said Plymouth Oil Company, a corporation did make and deliver an assignment of said oil and gas lease unto McKeon Drilling Company, Inc., as assignee, which said assignment was received and accepted by said McKeon Drilling Company, Inc., and recorded in the office of the County Recorder of Los Angeles County, in Book 7262 at Page 164 of Official Records, Los Angeles County, California.

WHEREAS, on the 12th day of September, 1928, a certain supplemental agreement was made and entered into between said W. M. Pargellis, Trustee, as Lessor and McKeon Drilling Company, Inc., as Lessee, said agreement being recorded in Book 7295 at Page 156 of Official Records, Los Angeles County.

WHEREAS, under and by the terms of said Lease as modified by said supplemental agreement McKeon Drilling Company, Inc., did drill a well upon the said premises

and secured production of oil and gas from the zone of oil sand known as the "Buckbee" said, which well, known [ok W. M. P. E. A. T.] 2

and described as the Reiber No. 4, has been producing from said sand at a depth of 5765 feet, from which production McKeon Drilling Company, Inc., was to receive and is receiving 87½ per cent, which is being applied and credited upon the sum of One Hundred Twenty Five Thousand Dollars (\$125,000.00) to be paid unto said McKeon Drilling Company, Inc., which said sum has not been and is to be wholly paid from the oil and gas produced from said property, all as provided in said Supplemental agreement.

WHEREAS, said well has gradually decreased in production and has now ceased to produce and is entirely off production and oil and gas in large volume have been discovered in the area embracing said property from the zone of oil sand known as the "O'Connell Sand" and wells are being drilled on property adjoining the property described herein which will drain the oil and gas from beneath said property, and it is, therefore, necessary to [ok W. M. P. E. A. T.] 2

deepen said well Reiber No. 4 to said deeper zone of oil sand known as the "O'Connell Sand",

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED, THE PARTIES HERETO DO HEREBY AMEND SAID LEASE AND SUPPLEMENTAL AGREEMENT AS FOLLOWS, AND TO-WIT:

A. It is mutually agreed and understood that the drilling requirements of said lease as modified by said

Supplemental agreement shall be construed to mean that the party of the second part shall at once deepen said

2 [ok W. M. P.]

well Reiber No. 2 to a depth of 6700 feet unless the zone of oil sand known as the "O'Connell Sand" is successfully penetrated and oil and gas in paying quantities produced therefrom at a lesser depth.

B. It being specifically agreed and understood that the balance unpaid on the sum of One Hundred Twenty-five Thousand Dollars, (\$125,000.00) as agreed in the Supplemental Agreement dated September 12th, 1928 is first to be paid from said property and that in addition thereto, it is understood and agreed that the cost of deepening said well, as herein provided, to the "O'Connell zone," for the purpose of reimbursing the Lessee for such deepening or drilling, as set forth in Paragraph "3" of said lease is hereby fixed at the sum of Thirty Thousand Dollars (\$30,000.00), regardless of the sum the party of the second part may actually expend.

It being the express agreement that the party of the second part is to collect and receive 87½ per cent of all production until the said sum of One Hundred Twenty-Five Thousand Dollars. (\$125,000.00) plus Thirty Thousand Dollars (\$30,000.00) or a total of One Hundred Fifty Five Thousand Dollars (\$155,000.00) is wholly paid and that thereafter said party of the second part is to receive sixty per cent (60%) of all oil and gas produced and saved from said premises.

C. It is further agreed, that if the said party of the second part shall diligently try and shall fail to bring in a producing well in paying quantities at the greater depth, as hereinbefore provided, due to mechanical or to any

reason, then and in that event, the said party of the second part shall be absolved from all damages, liabilities and drilling commitments and shall not be required to further drill said premises and the lease may cease and determine at the option of the party of the second part, and the said party of the second part may quitclaim the said property to the party of the first part, his successors or assigns, and thereupon all rights and obligations of the parties hereto, one to the other, shall cease and determine.

D. It is mutually understood and agreed that wherever the terms and conditions of the said lease, as modified by said Supplemental Agreement, dated the 12th day of September, 1928, and of this agreement conflict, the terms and conditions of this Second Supplemental Agreement shall supersede and control the terms and conditions thereof; in all other respects the terms and conditions of said lease, as modified by said Supplemental agreement, are hereby adopted, accepted and confirmed as the Agreement of the parties hereto.

IN WITNESS WHEREOF, the party of the first part has hereunto set his hand and the party of the second part has executed this Agreement by its proper officers, thereunto duly authorized, the day and year first above written.

W. M. PARGELLIS, Trustee
Party of the First Part as Lessor.

RALEIGH OIL COMPANY

By R. B. McKEON
Its President

By E. A. THACKABERRY
Its Secretary

(SEAL)

Party of the Second Part as Lessee

STATE OF CALIFORNIA)
) SS.
 COUNTY OF LOS ANGELES)

On this 10th day of April, 1929, before me, Irvin C. Louis, a Notary Public in and for the said County and State, personally appeared W. M. PARGELLIS known to me to be the person who executed the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL) Irvin C. Louis
 NOTARY PUBLIC in and for the County
 of Los Angeles, State of California.

STATE OF CALIFORNIA)
) SS.
 COUNTY OF LOS ANGELES)

On this 10th day of April, 1929, before me, Marguerite G. Burrows, a Notary Public in and for the said County and State, personally appeared R. B. McKEON known to me to be the President, and E. A. THACKABERRY, known to me to be the Secretary of RALEIGH OIL COMPANY, the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation herein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL) Marguerite G. Burrows,
 NOTARY PUBLIC in and for the County
 of Los Angeles, State of California

THIRD SUPPLEMENTAL AGREEMENT TO OIL
AND GAS LEASE

THIS AGREEMENT, made this 15th day of July, 1929, between W. M. PARGELLIS, Trustee, party of the first part, and RALEIGH OIL COMPANY, a California corporation, formerly known as McKeon Drilling Co., Inc., which name was changed by Decree of the Superior Court in and for the County of Los Angeles, State of California, dated March 4th, 1929, party of the second part.

WITNESSETH:

WHEREAS, on the 27th day of August, 1928, a certain oil and gas lease was made and entered into between W. M. Pargellis, Trustee, of Los Angeles, California, Lessor and Plymouth Oil Company, a Nevada Corporation, Lessee, covering the following described land in the County of Los Angeles, State of California, to-wit:

East 100' of Lot 24 of Blanchard's Subdivision in the Rancho Santa Gertrudes, County of Los Angeles, State of California, as per map recorded in Book 18, page 69 of Miscellaneous Records in the office of County Recorder of said County;

said lease being recorded in the office of the County Recorder of Los Angeles, County, in Book 7262 at Page 166 of Official Records,

WHEREAS, on the 11th day of September, 1928, said Plymouth Oil Company, a corporation, did make and deliver an assignment of said oil and gas lease unto McKeon Drilling Co., Inc. as assignee, which said assignment was received and accepted by said McKeon Drilling

Co., Inc. and recorded in the office of the County Recorder of Los Angeles County, in Book 7262 at Page 164 of Official Records, Los Angeles County, California,

WHEREAS, on the 12th day of September, 1928, a certain supplemental agreement was made and entered into between said W. M. Pargellis, Trustee, as Lessor, and McKeon Drilling Co., Inc., as Lessee, said agreement being recorded in Book 7295 at Page 156 of Official Records of Los Angeles County, California, which provided for the payment out of oil of One Hundred and Twenty-five Thousand Dollars (\$125,000.00),

WHEREAS, under date of April 10th, 1929, a second supplemental agreement was made and entered into between said W. M. Pargellis, Trustee, and McKeon Drilling Co., Inc. recorded in Book 8171, Page 106, Official Records of Los Angeles County, State of California, which supplemental agreement provided for the deepening of said well to the zone known as the "O'Connell" sand, at a depth approximating 6700 feet and the payment out of oil of an additional sum of Thirty Thousand Dollars (\$30,000.00),

WHEREAS, due to the encroachment of water into the producing zone in that area of the field, in which this well is located, it was impossible to make a commercial producing well. Oil and gas in large volumes have been discovered in the area embracing said property from the zone of oil sand known as the "Clarke" sand, and wells are being drilled to this "Clarke" sand on property adjoining the property described herein, which will drain the oil and gas from beneath said property. It is there-

fore necessary to deepen said well Reiber #2 to said deeper zone of oil sand known as the "Clarke" sand.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED, THE PARTIES HERETO DO HEREBY AMEND SAID LEASE AND SUPPLEMENTAL AGREEMENTS AS FOLLOWS, and TO-WIT:

A. It is mutually agreed and understood that the drilling requirements of said lease as modified by said supplemental agreements shall be construed to mean that the party of the second part shall at once deepen said Reiber #2 well to a depth of 7500 feet, unless the zone of oil sand known as the "Clarke" sand is successfully penetrated and oil and gas in paying quantities produced therefrom at a lesser depth.

B. It being specifically agreed and understood that the balance unpaid on the sum of One Hundred and Fifty-five Thousand Dollars (\$155,000.00), as agreed in the supplemental agreement, dated April 10th, 1929, is first to be paid from said property and that in addition thereto it is understood and agreed that the cost of deepening said well, as herein provided, to the "Clarke" zone, for the purpose of reimbursing the Lessee for such deepening or drilling, is hereby fixed at the sum of Thirty Thousand Dollars, (\$30,000.00), regardless of the sum the party of the second part may actually expend.

It being the express agreement that the party of the second part is to collect and receive Eighty-three and eleven fourteenths (83 11/14ths) of all production until

the said sum of One Hundred and Fifty-five Thousand (\$155,000.00) plus Thirty Thousand Dollars (\$30,000.00), or a total of One Hundred and Eighty-five Thousand Dollars (\$185,000.00), is wholly paid. That thereafter said party of the second part is to receive Sixty (60%) per cent of all oil and gas produced from said premises.

C. It is further agreed, that if the said party of the second part shall diligently try and shall fail to bring in a producing well in paying quantities at the greater depth, as hereinbefore provided, due to mechanical or to any reason, then and in that event, the said party of the second part shall be absolved from all damages, liabilities and drilling commitments, and shall not be required to further drill said premises and the lease may cease and determine at the option of the party of the second part, and the said party of the second part may quit-claim the said property to the party of the first part, his successors or assigns, and thereupon all rights and obligations of the parties hereto, one to the other, shall cease and be determined.

It is mutually understood and agreed that wherever the terms and conditions of the said lease, as modified by said Supplemental Agreement, dated the 12th day of September, 1928; the 10th day of April, 1929, and of this agreement conflict, the terms and conditions of this Third Supplemental Agreement shall supersede and control the terms and conditions of said lease, as modified by said Supplemental Agreement, are hereby adopted, accepted and confirmed as the Agreement of the parties hereto.

IN WITNESS WHEREOF, the party of the first part has hereunto set his hand and the party of the second part has executed this Agreement by its proper officers, thereunto duly authorized, the day and year first above written.

Wm. Pargellis, Trustee,
Party of the First Part as Lessor.

RALEIGH OIL COMPANY

By R. B. McKeon

President

(SEAL)

By E. A. Thackaberry
Party of the Second Part—Secretary.

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On this 15th day of July, 1929, before me, Vesta Minnick, a Notary Public in and for the said County and State, personally appeared W. M. PARGELLIS, known to me to be the person who executed the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL)

Vesta Minnick
Notary Public in and for the County
of Los Angeles, State of California.

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On this 20th day of July, 1929, before me, Dolores Bingham, a Notary Public in and for the said County

and State, personally appeared R. B. McKEON, known to me to be the President, and E. A. THACKABERRY, known to me to be the Secretary of the RALEIGH OIL COMPANY, the corporation that executed the within instrument, known to me to be the persons, who executed the within instrument on behalf of the corporation herein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL)

Dolores Bingham
Notary Public in and for the County
of Los Angeles, State of California

STIPULATED EXHIBIT F, BOTH PARTIES
FORM OF AUTHORIZATION TO ENTER
INTO CONTRACT,

“.....1929

W. M. Pargellis, Trustee
Los Angeles, Calif.

Dear Sir:—

You are hereby authorized to enter into the best possible contract with a responsible company for the further development of the Reiber Properties at Santa Fe Springs, in which I hold a royalty interest.

STIPULATED EXHIBIT G, BOTH PARTIES
AMENDED COMPLAINT FOR INTERPLEADER
AND TRUSTEE'S REPORT

IN THE SUPERIOR COURT OF THE STATE OF
CALIFORNIA IN AND FOR THE COUNTY
OF LOS ANGELES

W. M. PARGELLIS, also known as)
WRIGHT PARGELLIS,)
)
)
Plaintiff,)

No. 301667

VS

McKEON OIL CO., a corporation; RIO)
GRANDE OIL CO., a corporation;)
RING PETROLEUM CO., a corpora-)
tion; GARNER ROYALTY CO., a cor-) AMENDED
poration; PETROLEUM LANDOWN-) COMPLAINT
ERS LTD., a corporation; PRUDEN-) FOR
TIAL FINANCE CO., a corporation;) INTER-
UNION TANK & PIPE CO., a cor-) PLEADER;
poration; MIDWAY FISHING TOOL) AND
CO. a corporation; PETROLEUM) TRUSTEE'S
MIDWAY CO. LTD., a corporation;) REPORT.
SIMONS BRICK CO., a corporation;)
CALIFORNIA OIL TOOL SERVICE,)
a corporation; ELLIOTT CORE)
DRILLING CO., a corporation; PACI-)
FIC WIRE ROPE CO., a corporation;)
BARR LUMBER CO., a corporation;)
PETROLEUM EQUIPMENT CO., a)
corporation; ROYALTIES TRUSTEE)
CORPORATION, a corporation; R. F.)
B. DRILLING CO. INC., a corpora-)
tion; REID & BERLINER INC., a cor-)
poration; ARE-BEE OIL SYNDI-)

CATE, a trust estate; THOMAS PIKE)
CO., a fictitious firm name owned and)
operated by THOMAS H. PIKE;)
REID & BERLINER, a co-partnership)
composed of THEODORE C. REID,)
GENEVIEVE V. REID, JOSEPH J.)
BERLINER and MABEL E. BER-)
LINER; REID & CAMPBELL, a co-)
partnership composed of THEODORE)
C. REID, GENEVIEVE V. REID,)
M. A. CAMPBELL and NELLIE L.)
CAMPBELL; THEODORE C. REID,)
JULIAN G. KERSTEN, JOSEPH J.)
BERLINER, and M. A. CAMPBELL)
as trustees of ARE-BEE OIL SYNDI-)
CATE, a trust estate; THEODORE C.)
REID; GENEVIEVE V. REID; M. A.)
CAMPBELL; NELLIE L. CAMP-)
BELL; JOSEPH J. BERLINER; MA-)
BEL E. BERLINER; W. W. REID;)
JULIAN G. KERSTEN; THOMAS)
H. PIKE; JOHN ONE; JOHN TWO;)
JOHN THREE; JOHN FOUR; JOHN)
JOHN FIVE; JOHN SIX; JOHN)
SEVEN; JOHN EIGHT; JOHN)
NINE; JOHN TEN; JOHN COM-)
PANY ONE; JOHN COMPANY)
TWO; JOHN COMPANY THREE;)
JOHN COMPANY FOUR; JOHN)
COMPANY FIVE; JOHN COM-)
PANY SIX; JOHN COMPANY)
SEVEN; JOHN COMPANY EIGHT;)
JOHN COMPANY NINE; JOHN)
COMPANY TEN; ALICE B. MOTT;)
GEORGE W. BUSH; MAY T. DOL-)
SON; LEWIS GRIGSBY; W. B.)
HOOK; J. W. H. HODGE; GLADYS)
E. MIESSE; PAUL R. MORROW;)
L. C. NICHOLS; R. L. PEELER;)
H. B. DULANEY; MICHAEL RU-)
DOLPH; F. W. BRENNEMAN;)
MONTGOMERY SMITH; MARY E.)

KLECKNER; ELIZA J. TURN-)
BULL; D. A. WATT; ANNA ZEAH;)
D. W. ROBERTS; GEORGE SIMP-)
SON; J. FARBSTEIN; CASSIA AN-)
DERSON; C. L. BREWER; P. M.)
CASADY; HAL HARDING; JOHN)
JOHNSON; C. C. PREST; MRS. A.)
L. REYNOLDS; W. P. WINSTON;)
T. PAUL JONES; S. W. BUGBEE;)
RALPH EDWARDS; H. E. HAHN;)
F. D. LEBOLD; R. M. STEWARD;)
DAIN STURGES; MRS. M. V.)
NICKELL; BARNEY BROWN; IDA)
M. BUELL; G. M. BURBANK; H. E.)
CARNEY; L. J. CARNEY; M. V.)
JENKS; HOWARD C. CHRISTIE;)
R. H. CHRISTIE; LOUIS CLAUS-)
ING; A. L. CRAWFORD; MOLLIE)
J. CRAWFORD; J. W. CUMMINGS;)
C. J. CURTIS; A. J. DAVIS; A. N.)
DYKE; MYRTLE EVANS; S. W.)
EVERETT; AMELIE FILLIPINI;)
H. H. FLOWERS; E. M. FREEMAN;)
A. F. GLAZIER; MRS. V. S. GUN-)
DRY; PEARLE L. HARRISON;)
MRS. H. D. HORSMAN; G. L. HUY-)
ETT; MAUDE I. IVINS; MARY)
JANE JONES; JUNE M. PAS-)
CHALL; T. P. JONES; WM. E.)
LLOYD; WM. J. LECHNER; J. H.)
LOGIE; A. G. MASPERO; MRS. AN-)
DREA MEHESY; MRS. C. A. Me-)
COY; F. W. MOSER; MRS. F. V.)
MacFARLAND; OLIVE B. REID; E.)
P. REICKER; JOSEPH RITTIG-)
STEIN; IRENE SABICHI; FLOR-)
ENCE GERMAIN; GEORGE E.)
BUTLER; MRS. S. B. RUDE; MRS.)
FENIAH SKINNER; EDNA SMITH;)
FRANK STUBBS HAL A. THOMP-)
SON; JAMES L. WALKER; JOHN)
R. GILMAN; J. BEVERLY GRIB-)

BLE; J. B. WEAVER; W. H.)
 WHEELER; A. T. WHITTAKER;)
 NELLIE WEYMOUTH; HELEN C.)
 SCOTT; CLINT CLOWLES; E. V.)
 MAHONEY; SETH L. ROBERTS;)
 ELLEN JONES; CARL YOKUM;)
 LESTER R. GODWARD; J. C.)
 READ; MATTIE READ; MURIEL)
 FULLER COLBURN; NELLIE W.)
 BOUGE; FRED. H. SEARS and)
 CHAS. W. SEARS.)

)
)
 Defendants.)
)

Plaintiff files this his first amended complaint, and complains and alleges:

I.

That the defendant Garnery Royalty Co. and defendant Rio Grande Oil Co., are and were at all times hereinafter mentioned corporations duly organized, created and existing under and by virtue of the laws of the State of Delaware.

That the defendants McKeon Oil Co., Ring Petroleum Co., Petroleum Landowners Ltd., Prudential Finance Co., Union Tank & Pipe Co., Midway Fishing Tool Co., Petroleum Midway Co., Ltd., Simons Brick Co., California Oil Tool Service, Elliott Core Drilling Co., Pacific Wire Rope Co., Barr Lumber Co., Petroleum Equipment Co., R. F. B. Drilling Co. Inc., and Reid & Berliner Inc., are and were at all times hereinafter mentioned corporations duly organized, created and existing under and by virtue of the laws of the State of California, with their respective principal places of business in the County of Los Angeles, State of California.

That the defendants Reid & Berliner is and was at all times hereinafter mentioned a co-partnership composed of Theodore C. Reid, Genevieve V. Reid, Joseph J. Berliner and Mabel E. Berliner; and the defendant Reid & Campbell is and was at all times hereinafter mentioned a co-partnership composed of Theodore C. Reid, Genevieve V. Reid, M. A. Campbell and Nellie L. Campbell.

That the defendant Are-Bee Oil Syndicate is and was at all times hereinafter mentioned a trust estate known and designated as such and created under and by virtue of the terms of an agreement and declaration of trust entered into in the County of Los Angeles, State of California, and recorded in the office of the County Recorder of said County at some time prior to the 18th day of September, 1923; and the defendants Julian G. Kersten, Theodore C. Reid, Joseph L. Berliner and M. A. Campbell are the duly appointed, elected, qualified and acting trustees and officers of said Are-Bee Oil Syndicate.

That the defendant Thomas H. Pike is and was at all times hereinafter mentioned doing business under the fictitious firm name and style of Thomas Pike Co.

That the defendant Royalties Trustee Corporation is a Corporation; that plaintiff has no knowledge, information or belief relative to the state in which said corporation was incorporated or organized and will ask leave of Court to amend this amended complaint and add such allegation as soon as the same becomes known to plaintiff.

II.

That the defendants John One to John Ten inclusive; and John Company One to John Company Ten inclusive are being sued herein under fictitious names, their true names being unknown to plaintiff and plaintiff will ask

leave of Court to substitute the true names for the fictitious names as soon as the same become known to plaintiff.

III.

That plaintiff is the duly appointed, qualified and acting trustee of and for Theodore C. Reid, Joseph L. Berliner, Genevieve V. Reid and Mabel E. Berliner, both as individuals and as co-partners doing business under the fictitious name of Reid & Berliner; R. F. B. Drilling Co. Inc., a corporation, Are-Bee Oil Syndicate, a trust estate, Reid & Berliner Inc., a corporation, M. A. Campbell, Nellie L. Campbell; Theodore C. Reid, Genevieve V. Reid, M. A. Campbell and Nellie L. Campbell as co-partners doing business under the fictitious name of Reid & Campbell; Reid & Berliner, a co-partnership and Reid & Campbell a co-partnership, as far as concerns the right, title and interest of each and all of said parties in and to that certain oil and gas lease dated the 7th day of November, 1922, between W. A. Swem and Bertha M. Swem and others, as lessors, and C. H. Nickell as lessee of that certain real property located in the Santa Fe Springs Oil District in the County of Los Angeles, State of California, and more particularly described as Lots 22 and 24 of Blanchard's subdivision as per map recorded in Book 18 at page 69 Miscellaneous records of said County; that said Oil and gas lease heretofore referred to was recorded in the office of the County Recorder of said County and State on the 6th day of December, 1922, in Book 1620 at page 176 of Official Records of said County, and subsequently assigned by said Lessees to the trustors above named.

IV.

That as such trustee plaintiff receives, deposits and disburses to those entitled thereto, all sums of money or moneys or other proceeds received from the operation of the oil well or wells on said property heretofore referred to, together with all proceeds, money or moneys received from the sale of equipment on said property and any and all oil, gas and other hydro-carbon substances produced and saved from said property. That plaintiff as such trustee has on hand and in his possession the sum of money as set forth in the account attached hereto as proceeds from the sale of such equipment, oil, gas and other hydro-carbon substances and will hereafter receive other and additional large sums of money from such sales in an amount unknown and not susceptible of computation at this time.

V.

That all the defendants named herein claim some interest in said proceeds on hand and claim some interest in the proceeds to be hereinafter received by plaintiff as such trustee and said defendants base their respective claims by virtue of various leases, sub-leases, assignments, deeds, contracts and transfers, the exact nature and amount of which is known to said defendants, and each of said defendants demands that plaintiff deliver said proceeds or money to him or it in accordance with their various demands.

VI.

That plaintiff has no definite knowledge of the respective rights of said defendants or the nature of the various leases, subleases, assignments, deeds, contracts and transfers and plaintiff is not certain which of said

claimants is entitled to priority, and cannot safely determine for himself which, if any, of said claims, are right and lawful.

VII.

That plaintiff is ready and willing to pay and to distribute said funds on hand and any funds which may hereafter come into possession of plaintiff as such trustee to such persons, firms, trust estates, associations or corporations as the Court may direct and plaintiff has not title to and claims no interest in said fund except as trustee as hereinbefore set out.

VIII.

That this action is brought by plaintiff without collusion with one or more of said defendants or any other person.

IX.

That plaintiff is entitled to extra-ordinary compensation on account of his administration of said trust and particularly on account of the duration of the same and the character and extent of the work required therein and the unusual amount of time and attention required to be devoted thereto, and the complexity of accounts and accounting with relation thereto, and said trustee alleges that a sum equal to Two Hundred Fifty (\$250.00) Dollars per month would be a reasonable amount to be allowed by the Court to such trustee as compensation for his services in addition to the actual moneys expended by him in the performance of his duties as trustee.

X.

That it has become necessary for said trustee to employ attorneys to represent him in the preparation and filing

of this action and account and at the hearing herein and in other matters in connection herewith; said trustee has accordingly employed Irvin C. Louis and Harold B. Pool as such attorneys; that the sum of Five Thousand (\$5000.00) Dollars would be a reasonable amount to be paid by said trustee to said attorneys for their services in connection herewith unless the hearing or subsequent proceedings hereunder should be long and involved, in which event a greater compensation would be reasonable.

And for a second, separate and further cause of action and for his account, plaintiff alleges:

I.

Plaintiff adopts by reference all of the allegations contained in Paragraphs I, II, III, IV, and V of plaintiff's first cause of action herein as though the same were hereinafter fully set forth.

II.

Plaintiff as such trustee herewith presents to the above entitled court and to the defendants named herein and each of them a full and true account of his trusteeship, such account being hereto annexed marked Exhibit A and made a part hereof to the same effect and extent as if herein set out in full.

III.

Plaintiff adopts by reference all of the allegations contained in Paragraphs IX and X of his first cause of action herein as though the same were hereinafter fully set forth.

WHEREFORE plaintiff prays judgment as follows:

1. That the Court approve the account of the Trustee presented herewith.

2. That the Court authorize and order the payment out of said trust funds of the compensation to said trustees as hereinbefore set forth.

3. That the Court authorize and order the payment out of said trust funds of the compensation to said attorneys for said trustee as hereinbefore set forth.

4. That said defendants and each of them be restrained by an injunction from taking any proceedings or commencing any action against plaintiff in relation to said funds or said claims until an adjudication of the issues presented in the above entitled action has been had.

5. That said defendants and each of them be required to interplead and litigate between themselves their claims to said funds; that plaintiff be authorized to hold said funds subject to the terms of the Declaration under which he was appointed trustee; that the rights, duties and liabilities of plaintiff as such trustee be found and determined.

6. For plaintiff's costs herein incurred, and for such other and further relief as the Court may deem just, equitable and proper.

LOUIS, QUILLAN & POOL,

By I. C. LOUIS

Attorneys for plaintiff.
907 Van Nuys Bldg.,
Los Angeles, California.

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

W. M. PARGELLIS, also known as Wright M. Pargellis, being by me first duly sworn, deposes and says:

that he is the plaintiff in the above entitled action; that he has read the foregoing first amended complaint for interpleader and trustee's report and knows the contents thereof; and that the same is true of his own knowledge, except as to the matters which are therein stated upon his information or belief, and as to those matters that he believes it to be true.

W. M. PARGELLIS

Subscribed and sworn to before me this 9th day of June, 1930.

(Seal)

IRVIN C. LOUIS

Notary Public in and for the County of Los Angeles, State of California.

STIPULATED EXHIBIT H, BOTH PARTIES,
ORDER APPOINTING RECEIVER

“IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE COUNTY OF LOS ANGELES

W. M. PARGELLIS, also known as)
WRIGHT M. PARGELLIS)

Plaintiff,)

No. 301667

-vs-

ORDER
APPOINTING
RECEIVER

McKEON OIL COMPANY, a cor-)
poration, et al.,)

Defendants.)

On the 28th day of October, 1931, after a previous partial hearing and several continuances, this cause came

on regularly for hearing and it appearing that plaintiff was in Central America and would be there for an indefinite period, and that immediate relief is necessary for the protection and preservation of the properties, assets rights and equities of the parties hereto and that said property, assets, rights and equities hereinafter referred to and described should be administered in this Court through a Receiver appointed by this Court and all the parties hereto appeared personally or by Counsel in open Court at this hearing, consents to the making of this Order, IT IS ORDERED, ADJUDGED AND DECREED as follows:

I.

That pending the determination of the above entitled action, Lewis J. Hampton is hereby appointed as Receiver of and for that certain oil and gas lease dated on the 7th day of November, 1922 between W. A. Swem and Bertha M. Swem and others as Lessors and C. H. Nickell as Lessee of that certain real property located in the Santa Fe Springs Oil Field, in the County of Los Angeles, State of California and more particularly described as follows:

Lots 22 and 24, of Blanchard's Subdivision in said County, as per map recorded in Book 18, Page 69 of Miscellaneous Records of said County; which oil and gas lease was recorded in the office of the County Recorder of said County on the 6th day of December, 1922, in Book 1620 at Page 176 of the Official Records of said County, which said lease now stands in the name of plaintiff herein as trustee, holding all of the rights of the Lessee under said lease together with all

other property, assets, business, equities and rights pertaining to, and arising from, said lease and the operation of the oil well thereon.

II.

That plaintiff, his attorneys, agents and employees and any person acting under his direction shall deliver to the Receiver any and all properties, real, personal or mixed in their possession or under their control.

III.

All creditors, royalty owners, lessors, land owners and all persons claiming or acting by, through or under them, and all sheriffs and marshals and other officers, agents, attorneys, representatives, servants and employees, and all other persons, associations and corporations, are hereby enjoined and restrained from instituting or prosecuting any action at law or suit or proceeding in equity against the plaintiff or said Receiver in any court of law, or equity, or otherwise, or from executing or issuing or causing the execution or issuance, or the issuing out of any court of any writ, process, summons, attachment, subpoena, replevin or other proceeding for the purpose of impounding or taking possession of or interfering with any property in the possession of said plaintiff or of the Receiver, or possessed or owned by the plaintiff as trustee and in the possession of any of his attorneys, agents or employees, and all sheriffs, marshals and other officers and their deputies, representatives and servants, and all other persons, associations and corporations are hereby enjoined and restrained from removing, transferring, disposing of or attempting in any way to remove, transfer or dispose of or in any way to interfere with any prop-

erty, assets or effects in the possession of the plaintiff or of the receiver, or the possession of any attorney, agent or employee; and from doing any act or thing whatsoever to interfere with the possession and management by the receiver of the property and assets above described or in any way to interfere with the receiver in the discharge of his duties, or to interfere in any manner with the administration and disposition in this suit of the property and affairs claimed by plaintiff, or under his control as such trustee, or otherwise; and from exercising or declaring or attempting to exercise or to declare a default or forfeiture on the part of the plaintiff, as trustee, over said properties and assets or on the part of any beneficiary for whom he is acting as trustee.

IV.

Said receiver is hereby authorized forthwith to take and have complete exclusive control, possession and custody of all said property and assets, real, personal and mixed of every kind, character and description within the State of California, and all persons, firms and corporations, including the plaintiff, his attorneys, agents and employees, shall forthwith deliver to the receiver all said property and assets in their possession, and the plaintiff, his attorneys, agents, and employees are hereby directed upon the request of the receiver to endorse, transfer, set over and deliver to the receiver any and all notes, bills of exchange or other documents, or muniments of title outstanding, books of account, records and files held by or in the name of or in the possession or under the control of the plaintiff, or as to which plaintiff has any interest relating to said property, assets, rights and equities.

V.

The receiver is hereby authorized until the further order of this Court to continue, manage and operate said business controlled and operated by plaintiff as trustee, with full power and authority to carry on, manage and operate said business and properties, and buy and sell merchandise and supplies for cash or on credit as may be deemed available by said receiver, and particularly to carry out, perform and fulfill the contracts and obligations of the plaintiff as trustee, and to enter into new contracts incidental to the operation of said business, to the extent that the receiver may determine that it is for the best interests of the receivership estate so to do, and in that behalf to appoint and employ such managers, agents, employees, servants, accountants, attorneys, and counsel as may in the judgment of the receiver be advisable or necessary in the management, conduct, control or custody of the receivership estate, and the receiver is hereby authorized to make such payments and disbursements out of said property and assets as may be needful or proper for the preservation and operation of said properties and business. Any appointment of an attorney or attorneys to be first submitted to and approved by a Judge of this Court.

VI.

The receiver is hereby authorized to receive and collect rents, income and profits of any of said properties, whether the same are now due or shall hereafter become due and payable, and to do such things, enter into such agreements, and employ such agents in connection with the management, care, preservation and operation of said

properties as the receiver may deem advisable, and to incur such expenses and make such disbursements as may in the judgment of the receiver be necessary or advisable, including all bills and accrued charges for electric light and power, gas, water, insurance; telephone charges, taxes and charges of the nature thereof, lawfully incurred or imposed upon the property prior to the receivership, and all claims for accrued wages, salaries and expenses of agents and employees for services rendered prior to the date of this order but remaining unpaid at the date hereof, to the end that the operation of said business may not be interfered with or interrupted.

VII.

The receiver is hereby authorized and empowered to institute, prosecute and defend, compromise, adjust, intervene in or become a party to such suits, actions, proceedings at law, in equity, including ancillary proceedings in the State of Federal Courts as may in the judgment of the receiver be necessary or proper for the collection, protection, maintenance and preservation of said property and assets and the conduct of said business, including actions against plaintiff for recovery of any of said property and assets or the proceeds of any thereof, or the carrying out of the terms and provisions of this Order, and likewise to defend, compromise and adjust or otherwise dispose of, any and all suits, actions and proceedings instituted against him as Receiver or against the plaintiff, and also to appear in and conduct the prosecution or defense of any action, suit or proceeding, or to adjust or compromise any action, suit or proceeding now pending in any court by or against

the plaintiff as trustee or otherwise pertaining to said property and assets, where such prosecution, defense or other disposition of such action, suit or proceeding will in the judgment of the receiver be advisable or proper for the protection of said property and assets or of the proceeds derived from any thereof, and in his discretion to compound and settle with all debtors of the plaintiff as trustee, with persons having possession of said or any of said property or assets, or in any way responsible at law or in equity to the plaintiff as trustee, upon such terms and in such manner as the receiver shall deem just and beneficial to the plaintiff or to said properties and assets and the creditors of plaintiff as trustee.

VIII.

The Receiver shall retain possession and continue to discharge the powers and duties aforesaid until the further Order of this Court in the premises; but shall from time to time apply to this Court for such other and further Orders and directions as he may deem necessary or advisable for the due administration of the receivership; and the receiver is hereby vested, in addition to the powers aforesaid, with all the general powers of receivers in cases of this kind, subject to the direction of this Court and the receiver shall from time to time, or when directed by the Court render to the Court full reports of his proceedings and accountings with respect to all monies received and disbursed by him or his agents, said reports to be a complete fiscal and financial statement of conditions.

IX.

The receiver shall from time to time, upon order of the Court therefor, disburse to the various royalty owners interested under said lease as their interests shall appear, such sums and amounts as may be available for such disbursements.

X.

That the net compensation and salary of the receiver for all his services as such, shall be Three Hundred
 \$300.00 CMS.
 and Fifty Dollars (~~\$350.00~~) per month to be drawn by him monthly, which compensation or salary shall not be increased unless so ordered by the Court, but the same shall not cover or include salaries or wages of his said employees or servants.

XI.

The bond of the receiver in the sum of ^{Twelve}~~Fifteen~~ thou-
 12,500.00 CMS
 sand Dollars (\$15,000.00), conditioned that he will well and truly perform the duties of his office and duly account for all monies and property which may come into his hands and abide and perform all things which he shall be directed to do by this Court, with sufficient sureties to be approved by a Judge of this Court, shall be forthwith filed in the office of the Clerk of this Court.

DATED: Nov. 2nd 1931.

CARYL M. SHELDON
 JUDGE

Present :

The Honorable George Cosgrave, District Judge.

PLYMOUTH OIL CO.,))	
a Corp.,))	
Plaintiff,))	
)	
vs. )	)	U-14-C-Eq
)	
McKEON OIL CO., a))	
Corp.,))	
Defendant.))	

This cause comes on for hearing on oral argument. Robert J. Sullivan, Esq., appears for Lewis J. Hampton, receiver in equity of W. M. Pargellis, trustee-petitioner. Spencer Austrian, Esq., appears for the defendant. Ivan G. McDaniel and Spencer Austrian, Esqs., appear for George H. Stoddard, receiver in equity for McKeon Oil Company, a corporation, respondent.

Robert J. Sullivan, Esq., argues on behalf of the said Lewis J. Hampton; Spencer Austrian, Esq., argues for the defendant; and the Court makes a statement.

The Court orders that the petition filed by Lewis J. Hampton, receiver in the State court for W. M. Pargellis, asking this court to direct the receiver, Geo. H. Stoddard, for McKeon Oil Company, to turn over property, be denied, and allows exception to said petitioner."

That on the 18th day of July, 1932, an order having been made in the above entitled matter, which, omitting the title of the court and cause, was in words and figures as follows, to wit:

"Upon motion of William Hazlett, Edna Covert Plummer, and Robert J. Sullivan, Counsel for Petitioner in

the above-entitled matter, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED that the time within which Petitioner may prepare, serve and file his Bill of Exceptions in the above-entitled matter is hereby extended to and including the 31st day of July, 1932.

Dated July 18, 1932.

GEORGE COSGRAVE
United States District Judge."

IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned counsel for the respective parties hereto, that the foregoing statement of fact contains all of the evidence given, and proceedings had at the trial of this action, material to the appeal of petitioner and appellant, and that it is correct in all respects, and that the same may be approved, allowed and settled and ordered filed and made a part of the record herein by the Hon. George Cosgrave, Judge of the above entitled Court, who presided at the hearing of said cause, and that said statement may be certified and signed by the Judge upon presentation of this stipulation without further notice to either party hereto, or to their respective counsel.

IT IS FURTHER STIPULATED AND AGREED, by and between the undersigned counsel for the respective parties hereto that for the reason that it is necessary to know the true import of the stipulation as to part of the facts herein, that the testimony of the witnesses herein be set forth verbatim instead of in narrative form, as likewise the exhibits attached to said stipulation as to part of the facts herein; and it is stipulated that

an order of court approving such manner of stating the testimony of witnesses and the exhibits, may be made and entered upon this stipulation.

William Hazlett
WILLIAM HAZLETT

Edna Covert Plummer
EDNA COVERT PLUMMER

Robert J Sullivan
ROBERT J. SULLIVAN
ATTORNEYS FOR PETITIONER.

Ivan G. McDaniel
IVAN McDANIEL

Spencer Austrian
SPENCER AUSTRIAN
ATTORNEYS FOR RESPONDENT

The foregoing statement is hereby approved and allowed by the Honorable George Cosgrave, Judge of the District Court of the United States in and for the Southern District of California, Central division; and, IT IS HEREBY ORDERED, that the testimony of the witnesses as set forth verbatim in said statement and the reproduction of the exhibits verbatim be, and the same are, hereby approved, and allowed upon the stipulation of the parties hereto through their respective counsel.

Dated July 26, 1932.

Geo Cosgrave
JUDGE.

[Endorsed]: Original Equity No. U-14-C In the United States District Court In and for the Southern District of California Central Division Plymouth Oil Company, a corporation, Plaintiff, vs. McKeon Oil Company, a corporation, Defendant. Statement of Fact for Appeal. Filed Jul 26 1932 R. S. Zimmerman, Clerk

By Edmund L. Smith Deputy Clerk William Hazlett and Edna Covert Plummer 918 Security Building Fifth and Spring Streets Los Angeles, California Telephone Tucker 6506 and Robert J. Sullivan Attorneys for Petitioner .

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)
a corporation, :

Plaintiff,)

vs.)

McKEON OIL COMPANY,)
a corporation :

Defendant.)

In Equity

No. U-14-C

LEWIS J. HAMPTON, Receiver)
in Equity of W. M. Pargellis, :
Trustee,)

Petitioner, :)

PETITION FOR
APPEAL FROM
ORDER
ENTERED
JULY 13, 1932.

vs. ::)

GEORGE H. STODDARD, Re- :
ceiver in Equity for McKeon Oil)
Company, a corporation, :

Respondent. :)

Comes now the petitioner, Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee, in the above entitled matter, and prays that he may be permitted to take an appeal from the Order and decision in the above

entitled cause, entered on the 13th day of July, 1932, as follows:

That part which dismissed the petition of petitioner for the recovery of possession of the property described in petitioner's petition, together with the well thereon and for such sum or sums as may be due and owing to petitioner from the proceeds derived from said property, or the well thereon, and from that part of said order which adjudged and decreed that respondent, George H. Stoddard, is entitled to the possession of the property described in petitioner's petition, as against petitioner, Lewis J. Hampton, and all persons claiming under or through him, and all persons for whom he acts, including W. M. Pargellis, Prudential Finance Co., a corporation, Reid and Berliner, a co-partnership, F. R. B. Drilling Co., Inc., a corporation, Reid and Campbell, a co-partnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, and all persons who have purchased or claimed to have purchased any interest in said property by reason of the assignments similar in form to those attached to the partial stipulation of facts filed in the above entitled action, and there marked "Exhibit C", and from the whole of said Order, to the United States Circuit Court of Appeals for the 9th Circuit, for the reasons specified in the assignment of errors, which is filed herewith.

Petitioner desires that an Order be made fixing the amount of security which he shall give and furnish upon said appeal, and that a citation issue herein, as provided by law; that a transcript of the record, proceedings and papers, duly authenticated, may be sent to the United

States Circuit Court of Appeals, for the 9th Circuit at San Francisco, California.

Dated at Los Angeles, California, this 28th day of July, 1932.

LEWIS J. HAMPTON,

Receiver in Equity of W. M. Pargellis, Trustee,
PETITIONER

By:

William Hazlett

WILLIAM HAZLETT

Edna Covert Plummer

EDNA COVERT PLUMMER

Robert J Sullivan

ROBERT J. SULLIVAN

ATTORNEYS FOR PETITIONER

[Endorsed]: Original No. U-14-C In the United States District Court In and for the Southern District of California Central Division Lewis J. Hampton Petitioner vs. George H. Stoddard Respondent Petition for Appeal From Order Entered July 13, 1932. Received copy of the within Petition this 29 day of July 1932 Ivan G. McDaniel D Filed Jul 29 1932 R. S. Zimmerman, Clerk By Theodore Hocke Deputy Clerk William Hazlett and Edna Covert Plummer and Robert J. Sullivan 918 Security Building Fifth and Spring Streets Los Angeles, California, Telephone Tucker 6506 Attorneys for Petitioner.

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)		
a corporation,)		
	Plaintiff,)	
)	
vs.)		
)	
McKEON OIL COMPANY,)		
a corporation)		
	Defendant.)	In Equity
)	
_____)		No. U-14-C
)	
LEWIS J. HAMPTON, Receiver)	ASSIGNMENT	
in Equity of W. M. Pargellis,)	OF ERRORS ON	
Trustee,)	APPEAL FROM	
	Petitioner,)	ORDER
	)	ENTERED—
vs.)		JULY 13, 1932
)	
GEORGE H. STODDARD, Re-)		
ceiver in Equity for McKeon Oil)		
Company, a corporation,)		
)	
	Respondent.)	
)	

Comes now petitioner, Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee, and says that there is error on the face of the record in the above entitled matter, and that the decision of the above entitled court on the 13th day of July, 1932, is erroneous and that the findings and order entered in said matter are erroneous in certain portions thereof, and petitioner assigns that said decision, findings and order are erroneous for the following reasons:

EXCEPTION NO. 1

That the Court erred in finding (Finding of Fact I) that thereafter and on August 23, 1923, said Theodore C. Reid and Joseph J. Berliner assigned their interest under said lease to W. M. Pargellis, when the facts indisputably show that Theodore C. Reid and Joseph J. Berliner assigned their interest under said lease in trust to W. M. Pargellis, as Trustee.

EXCEPTION NO. 2

That the Court erred in finding (Finding of Fact V) that on or about August 27, 1923, said W. M. Pargellis sub-leased a portion of the premises hereinbefore referred to, to Plymouth Oil Company, a Nevada corporation, by a lease dated on said date, and that thereafter, and from time to time supplements to said lease were entered into between W. M. Pargellis and McKeon Oil Company, when the facts indisputably show that W. M. Pargellis was a Trustee, and without any authority at all to execute any lease or sub-lease to any of the property referred to in petitioner's petition, and that if an attempt was made to lease or sub-lease any portion of said premises, that such attempt was made on August 27, 1928 and was abortive and void for the lack of authority so to do on the part of the said W. M. Pargellis as Trustee.

And the Court further erred in the same Finding of Fact, in finding that on September 11, 1928 said Plymouth Oil Company did, by an instrument in writing, assign all of its right, title and interest in and to said lease to McKeon Drilling Company, Inc. a California Corporation, when the evidence indisputably shows that

the attempted lease or sub-lease between W. M. Pargellis as a Trustee and the Plymouth Oil Company, a Nevada Corporation, was void for the lack of authority of W. M. Pargellis as Trustee to make, execute or deliver such lease or sub-lease on any of the property described in petitioner's petition.

EXCEPTION NO. 3

That the Court erred in finding (Finding of Fact V) that on said date, (June 4, 1931) said George H. Stoddard qualified and took possession of all of the assets of McKeon Oil Company, including the realty referred to in the petition of Lewis J. Hampton herein, when the evidence indisputably shows that W. M. Pargellis held the property described in petitioner's petition as a Trustee, and did not voluntarily divest himself of title thereto or possession thereof, and that by reason of the abortive and void attempt on the part of W. M. Pargellis as Trustee to lease or sub-lease said premises that said premises never became assets of the McKeon Oil Company or anyone else other than the petitioner herein.

EXCEPTION NO. 4

That the Court erred in finding (Finding of Fact V) that the Prudential Finance Co., a corporation, Reid and Berliner, a co-partnership, F. R. B. Drilling Co. Inc., a corporation, Reid & Campbell, a co-partnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, and each of them expressly consented to the execution of said lease, when the evidence indisputably shows that no express consent was every given to the execution of said alleged lease by any or all of the aforementioned associations, corporations, or co-part-

nerships, and trust estate for the reason that such consent was not expressed in writing, and all evidence of any oral attempt to consent to the execution of said alleged lease was remote hearsay and the conclusion of the witnesses, and incompetent evidence to prove any alleged consent.

EXCEPTION NO. 5

That the Court erred in finding (Finding of Fact VII) that on said date said George H. Stoddard duly qualified and took possession of all of the assets of McKeon Oil Company, including the realty hereof above referred to, when the evidence indisputably shows that the attempts of W. M. Pargellis, as Trustee, to divest himself of title or possession to the property described in petitioner's petition were abortive and void for lack of authority in W. M. Pargellis to so divest himself of title or possession and could not become assets of McKeon Oil Company when the evidence shows distinctly that the petitioner herein is entitled to the possession of said premises together with the well drilled thereon:

EXCEPTION NO. 6

That the Court erred in finding (Finding of Fact VIII) that said respondent, George H. Stoddard, has tendered to the petitioner, Lewis J. Hampton, all sums due under the terms of the lease under which said Receiver holds said property, when the evidence indisputably shows that the attempts of W. M. Pargellis, as Trustee, to lease or sub-lease were abortive and void for the lack of authority in said W. M. Pargellis as Trustee to lease, sub-lease, or otherwise contract concerning the title and possession of said property.

EXCEPTION NO. 7

That the Court erred in finding (Finding of Fact IX) that petitioner has no plain, speedy or adequate remedy at law in the premises, and that the equity of this Court affords petitioner his only relief are untrue, when the evidence and facts of this matter indisputably show that this equitable proceeding for the possession of the real property described in petitioner's petition, together with the well thereon, and the moneys derived therefrom is the only available proceeding to petitioner for the recovery of the possession of said property, said well and said money so wrongfully detained and withheld from him by respondent.

EXCEPTION NO. 8

That the Court erred in finding (Finding of Fact X) that each of the allegations of the amended answer of respondent, George H. Stoddard to the petition of petitioner, Lewis J. Hampton, are true, when the facts and the evidence indisputably show that the possession of said property referred to in petitioner's petition, and the well thereon and the funds derived therefrom belong to petitioner and are wrongfully and without cause detained from said petitioner, and that any attempt on behalf of petitioner's predecessor in interest to divest himself of title or right to possession was and is abortive and void for lack of authority in said petitioner's predecessor in interest so to do.

EXCEPTION NO. 9

That the Court erred in concluding from the findings of fact that the respondent is lawfully entitled to possession of the property described in petitioner's petition, and

that said respondent is entitled to said possession of said real property as against the petitioner, Lewis J. Hampton, and all persons claiming under or through him and all persons whom he represents including W. M. Pargellis, Prudential Finance Company, a corporation, Reid and Berliner, a co-partnership, F. R. B. Drilling Co., Inc., a corporation, Reid and Campbell, a co-partnership, Are-Bee Oil Syndicate, a trust estate, and Reid & Berliner, Inc., a corporation, and each and every person claiming to be a purchaser or holder of an interest in and to any oil or gas produced from said property, by reason of the assignments hereinbefore referred to in forms similar to that set forth in the partial stipulation of facts filed in the above entitled matter, and there marked "Exhibit C", when the evidence distinctly shows, and the findings of fact should show that petitioner is entitled to the possession of said real property as against all persons whomsoever they may be; and when the evidence further shows that petitioner's predecessor in interest was without any authority of whatsoever kind of nature, to divest himself of either the title or possession of said real property, and that he held the same for divers and sundry persons all of whom did not consent to any authority in or confer authority upon said W. M. Pargellis, as Trustee, to in any manner divest himself of either the title or possession to said property.

EXCEPTION NO. 10

That the Court erred in ordering, adjudging and decreeing that the petition of Lewis J. Hampton, filed herein, be dismissed and denied, and that said petitioner take nothing by reason thereof, when the evidence indis-

putably shows, and the findings of fact and conclusions of law should show, that petitioner is entitled to the property described in his petition, as well as the well thereon and the moneys derived therefrom.

The Court further erred in ordering, adjudging and decreeing that the respondent, George H. Stoddard, is entitled to the possession of said property as against petitioner or anyone else, when the evidence indisputably shows, and the findings of fact should show that said property was held by W. M. Pargellis, as Trustee, and that his abortive and void attempts to lease or sub-lease did not divest him of title or right to possession of said property, and that the title to said property, and the right to possession thereof passed to petitioner herein by order of the Superior Court of the State of California in and for the County of Los Angeles, and that said petitioner under and by virtue of the terms of said Order is entitled to the possession of said property and the well thereon and the proceeds derived therefrom as against all persons whomsoever they may be.

In order that the foregoing assignments of error may appear of record, petitioner presents the same to the Court and prays that such disposition may be made thereof as is meet, in accordance with the laws of the United States.

WHEREFORE, petitioner prays that said order be reversed and that the Court be directed to enter an order for petitioner for the possession of said property, together with the well thereon and for such sum or sums of money as may be due and owing to petitioner from the proceeds derived from said property, and the well

thereon, as set forth in the prayer of petitioner's petition,
—all of which is to this Court respectfully submitted.

William Hazlett

William Hazlett

Edna Covert Plummer

Edna Covert Plummer

Robert J. Sullivan

Robert J. Sullivan

ATTORNEYS FOR PETITIONER

[Endorsed]: Original No. U-14-C In the United States District Court In and for the Southern District of California Central Division Lewis J. Hampton Petitioner vs. George H. Stoddard, Respondent Assignment of Errors Received copy of the within Assignment of Errors on Appeal From Order Entered—July 13, 1932 this 29th day of July 1932 Ivan G. McDaniel—D Attorney for Respondent Filed Jul 29 1932 R. S. Zimmerman, Clerk By Theodore Hocke Deputy Clerk William Hazlett and Edna Covert Plummer and Robert J. Sullivan 918 Security Building Fifth and Spring Streets Los Angeles, California Telephone Tucker 6506 Attorneys for Petitioner

IN THE DISTRICT COURT OF THE UNITED
STATES SOUTHERN DISTRICT OF CALI-
FORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)	
a corporation,)	
)	
Plaintiff,)	
)	
vs.)	
	)	In Equity
McKEON OIL COMPANY,	)	No. U-14-C
a corporation,)	
)	
Defendant.)	
	)	ORDER
LEWIS J. HAMPTON, Receiver	)	ALLOWING
in Equity of W. M. Pargellis,	)	APPEAL AND
Trustee,	)	FIXING BOND
)	
Petitioner,)	
)	
vs.)	
)	
GEORGE H. STODDARD, Re-)	
ceiver in Equity for McKeon Oil)	
Company, a corporation,)	
)	
Respondent.)	

In the above entitled matter, the petitioner, having filed his petition for an order allowing him to appeal from the Order entered in the above entitled matter on July 13th, 1932;

IT IS ORDERED, that said Appeal be, and the same is hereby, allowed to petitioner, to the United States Circuit Court of Appeals for the Ninth Circuit, from said Order, and that a certified transcript of the record, Statement of Fact for Appeal, Exhibits, Stipulations, and all proceedings herein, be transmitted to said United States Circuit Court of Appeals;

IT IS FURTHER ORDERED, That Appeal Bond be fixed at Two hundred fifty dollars—the same to act as a bond for costs and damages of appeal, if any.

DATED this 28 day of July, 1932.

Geo. Cosgrave
JUDGE

[Endorsed]: Original No. U-14-C In the United States District Court In and for the Southern District of California Central Division Lewis J. Hampton Petitioner, vs. George H. Stoddard Respondent Order Allowing Appeal and Fixing Bond Received copy of the within Order Allowing Appeal and Fixing Bond this 29th day of July 1932 Ivan G. McDaniel D Attorney for Respondent Filed Jul 29 1932 R. S. Zimmerman, Clerk By Theodore Hocke, Deputy Clerk William Hazlett and Edna Covert Plummer and Robert J. Sullivan 918 Security Building Fifth and Spring Streets Los Angeles, California Telephone TUCKER 6506 Attorneys for Petitioner.

3846753

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,	)	The premium
a corporation,	)	charge for this
	)	bond is \$10.00
	)	per annum.
)	
)	
Plaintiff,)	
)	
vs.)	
)	
)	
McKEON OIL COMPANY,)	
a corporation,)	
)	
)	
Defendant.	)	EQUITY
	)	NO. U-14-C
)	
LEWIS J. HAMPTON, Receiver)	
in Equity of W. M. Pargellis,)	
Trustee,)	
	)	COST BOND
	)	ON APPEAL
)	
)	
Petitioner,)	
)	
vs.)	
)	
)	
GEORGE H. STODDARD, Re-)	
ceiver in Equity for McKeon Oil)	
Company, a corporation,)	
)	
)	
Respondent.)	

KNOW ALL MEN BY THESE PRESENTS: That we, LEWIS J. HAMPTON, Receiver in Equity of W. M. Pargellis, Trustee, as Principal, and FIDELITY & DEPOSIT COMPANY OF MARYLAND as Surety, are held and firmly bound unto George H. Stoddard, Receiver in Equity for McKeon Oil Company, a corporation, the respondent in the above entitled matter, in the full and just sum of Two Hundred Fifty Dollars (\$250.00), to be paid to the said defendant, his certain attorney, successors or assigns; to which payment well and truly to be made, we bind ourselves, our successors and assigns jointly and severally, by these presents.

Sealed with our seals and dated this 29th day of July, 1932.

WHEREAS, Lately at the District Court of the United States for the Southern District of California, Central Division, in a suit pending in said Court, between Plymouth Oil Company, a corporation, plaintiff, versus McKeon Oil Company, a corporation, defendant, (Subcaption) Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee, Petitioner, versus George H. Stoddard, Receiver in Equity for McKeon Oil Company, a corporation, Respondent, Equity No. U-14-C, an Order was made and entered against the said Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee, wherein and whereby the Petition of said Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee, for and Order of said Court for restoration of possession of certain real property in said Petition described, together with a well thereon and the proceeds derived therefrom, and the said Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Trustee, having obtained from said Court leave to appeal to the United States Circuit Court of Appeals for the Ninth Circuit, to reverse the said Order made and entered as aforesaid, and a Citation directed to the said George H. Stoddard, Receiver in Equity for McKeon Oil Company, a corporation, respondent, citing and admonishing him to be and appear at a United States Circuit Court of Appeals for the Ninth Circuit, to be holden at San Francisco, in the State of California, on August 26th 1932.

Now, the condition of the above obligation is such, that if the said Lewis J. Hampton, Receiver in Equity of W. M. Pargellis, Petitioner, shall prosecute his said appeal to effect, and answer all damages and costs, if he fails to make his plea good, then the above obligation to be void; else to remain in full force and effect.

LEWIS J. HAMPTON

LEWIS J. HAMPTON, Receiver in Equity
of W. M. Pargellis, Trustee,

By LEWIS J. HAMPTON

Principal.

[Seal]

FIDELITY AND DEPOSIT COMPANY
OF MARYLAND

By W. M. Walker, Attorney-in-Fact
Theresa Fitzgibbons, Surety

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)
a corporation,)
Plaintiff,)

vs.)

McKEON OIL COMPANY,)
a corporation)
Defendant.)

_____)

In Equity

LEWIS J. HAMPTON, Receiver)
in Equity of W. M. Pargellis,)
Trustee,)
Petitioner,)

No. U-14-C

PRAECIPE

vs.)

GEORGE H. STODDARD, Re-)
ceiver in Equity for McKeon Oil)
Company, a corporation,)
Respondent.)

TO: R. S. ZIMMERMAN, CLERK OF THE UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF CALIFORNIA:

You will please issue a transcript of the record of the above entitled action, and include therein the following papers:

- 1. Citation
- 2. Petition

3. Amended Answer
4. Motion of Respondent to dismiss Petition
5. Findings of Fact, and Conclusions of Law
6. Order of July 13, 1932
7. Statement of Fact for Appeal
8. Petition for Appeal
9. Assignment of Errors
10. Order allowing Appeal, and Fixing Bond
11. Cost Bond on Appeal
12. Clerk's Certificate and this Praeipce

DATED this 28th day of July, 1932.

William Hazlett

WILLIAM HAZLETT

Edna Covert Plummer

EDNA COVERT PLUMMER

Robert J Sullivan

ROBERT J. SULLIVAN

ATTORNEYS FOR PETITIONER

[Endorsed]: Original No. U-14-C. In the United States District Court In and for the Southern District of California Central Division Lewis J. Hampton, Petitioner, vs. George H. Stoddard, Respondent. Praeipce Received copy of the within Praeipce this 29th day of July 1932 Ivan G. McDaniel—D Attorney for Respondent Filed Jul 29 1932 R. S. Zimmerman, Clerk By Theodore Hocke Deputy Clerk William Hazlett and Edna Covert Plummer and Robert J. Sullivan 918 Security Building Fifth and Spring Streets Los Angeles, California Telephone Tucker 6506 Attorneys for Petitioner

IN THE DISTRICT COURT OF THE UNITED STATES SOUTHERN DISTRICT OF CALIFORNIA CENTRAL DIVISION

PLYMOUTH OIL COMPANY,)
a corporation, :

Plaintiff,)

vs.)

McKEON OIL COMPANY,)
a corporation :

Defendant.)

_____)

LEWIS J. HAMPTON, Receiver)
in Equity of W. M. Pargellis, :
Trustee,)

Petitioner, :

vs.)

GEORGE H. STODDARD, Re- :
ceiver in Equity for McKeon Oil)
Company, a corporation, :

Respondent.)

No. U-14-C

CLERK'S CERTIFICATE.

I, R. S. Zimmerman, clerk of the United States District Court for the Southern District of California, do hereby certify the foregoing volume containing 126 pages, numbered from 1 to 126 inclusive, to be the Transcript of Record on Appeal in the above entitled cause, as printed by the appellant, and presented to me for comparison and

certification, and that the same has been compared and corrected by me and contains a full, true and correct copy of the citation; petition for order to show cause re: restoration of possession of real property; motion to dismiss petition; order denying motion to dismiss; amended answer to petition; findings of fact and conclusions of law; order and judgment; statement of fact for appeal; petition for appeal; assignment of errors; order allowing appeal and fixing bond; cost bond on appeal and praecipe.

I DO FURTHER CERTIFY that the amount paid for printing the foregoing record on appeal is \$ and that said amount has been paid the printer by the appellant herein and a receipted bill is herewith enclosed, also that the fees of the Clerk for comparing, correcting and certifying the foregoing Record on Appeal amount to..... and that said amount has been paid me by the appellant herein.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Seal of the District Court of the United States of America, in and for the Southern District of California, Central Division, this day of August in the year of Our Lord One Thousand Nine Hundred and Thirty-two, and of our Independence the One Hundred and Fifty-seventh.

R. S. ZIMMERMAN,
Clerk of the District Court of the
United States of America, in and
for the Southern District of
California.

By

Deputy.